



City Council Report

Date: October 16, 2023
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Use of a Cooperative Contract for the Purchase of One Heavy-Duty Backhoe Loader (Replacement) for the Parks, Recreation and Community Facilities Department **(Funded by the Vehicle Replacement Fund) (Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Fleet Services and Parks, Recreation and Community Facilities Departments and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract with Empire Southwest, LLC dba Empire Machinery (a Mesa business) for \$172,912.36, based on estimated requirements.

Background / Discussion

This purchase for a new backhoe loader that will support the Mesa Cemetery. It is a critical piece of equipment used daily in Cemetery operations, including grave openings and closings, concrete vaults and monuments installation, and daily and post-storm debris removal.

The new backhoe loader will replace a 30-year-old John Deere backhoe loader purchased for the Cemetery in 1993 which has reached its end of useful life. If the backhoe loader breaks down, renting one would be necessary in order to carry on with the cemetery's operational needs.

The State of Arizona's cooperative contract has been competitively bid and meets the City's procurement requirements. Utilizing the State of Arizona's contract allows the City to receive very competitive rates based on a formally solicited agreement. The City believes the price is fair and reasonable and soliciting for this product would not result in the City receiving more favorable pricing or terms. The manufacturer has stated that discounts are identical across all cooperatives.

Purchase Information

Action: Award
Procurement Type: Cooperative Contract Use
Contract Number: 2024037

Contracting Agency/Contract Number – State of Arizona/CTR052847
Local Consideration: Policy did not apply to this procurement method
Funding Source: Fleet Services Department budget through the Vehicle Replacement Fund

AWARD RECOMMENDATION

One – 2023 Caterpillar 420XE Backhoe Loader per Contract No. 2024037, State of Arizona CTR052847 and Quote dated 8/11/2023:

Base	\$204,693.00
22% State of Arizona Contract Discount	<u>(\$45,032.46)</u>
Base Sub Total	\$159,660.54
8.3% Sales Tax	<u>\$13,251.82</u>
Total	<u>\$172,912.36</u>

One Replacement for the Parks, Recreation and Community Facilities Department funded by the Vehicle Replacement Fund.