

May 18, 2015

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Resolution No. 8916 authorizing execution of a purchase agreement with Modern Machinery, for the purchase of an excavator for the Transportation Department, in an amount not to exceed \$127,411, plus applicable Washington State sales tax.

### **FISCAL IMPACT**

This agreement will obligate the City to pay \$127,411, plus applicable Washington State sales tax, for the purchase of one excavator. Sufficient funds exist in the Equipment Rental Fund reserves for this purchase.

### **STAFF CONTACT**

Nora Johnson, Director	452-4167
Tom Wall, Fleet & Communications Administrator	452-6019
<i>Civic Services Department</i>	

Laurie Gromala, Assistant Director Traffic Management	452-6013
Brian Breeden, O&M Maintenance Manager	452-4104
<i>Transportation Department</i>	

### **POLICY CONSIDERATION**

#### **Bellevue City Code:**

- Bellevue City Code Chapter 4.28 provides for a fair and transparent purchasing process.
- Purchases in excess of \$90,000 require Council approval.

#### **City Practice:**

- Vehicles may be purchased utilizing other agencies' cooperative purchase agreements or through a formal bid process conducted by the City.

### **BACKGROUND**

Civic Services' Fleet and Communications Division supports service delivery to Bellevue's citizens by providing timely, cost-effective maintenance and asset management services to City departments. Fleet staff identifies and purchases vehicles that meet the operational needs of departments, and also evaluates when to replace vehicles based on life expectancy and maintenance costs.

The Walkway Program, mandated by Council in 1996 to improve sidewalks and walking paths throughout the City, was resourced with existing staff and equipment. The program is expected to provide removal and replacement of over 12,000 square feet of defective concrete sidewalks and 400 square feet of pedestrian asphalt trails annually. The Transportation and Utilities Departments have tried to share a Utilities-owned excavator; however this proved to be infeasible because equipment needs based on project timelines frequently conflict. To address

the equipment shortfall, the Transportation Department currently rents an excavator for a period of six months each year for the Walkway Program. The cost of this equipment rental is over \$25,000 annually. Further, the amount of rental time and associated cost is expected to increase in the coming years as staff train and work on process improvement strategies to increase production.

Removing defective concrete and asphalt pavement on walkways using an excavator with rubber tracks is efficient and effective. It allows for the traverse of adjacent infrastructure without damage, and relieves employees of heavy lifting, thus reducing the risk of injuries. The excavator will also be used during emergency response such as hazardous tree removal and windstorm cleanup. The City will purchase the excavator through the Houston Galveston Area Council purchasing agreement. The excavator's expected useful life is 15 years.

### **EFFECTIVE DATE**

If adopted, this Resolution becomes effective immediately.

### **OPTIONS**

1. Adopt the Resolution authorizing execution of a purchase agreement with Modern Machinery, for the purchase of an excavator for the Transportation Department, in an amount not to exceed \$127,411, plus applicable Washington State sales tax. e.
2. Do not adopt the Resolution and provide alternative direction to staff.

### **RECOMMENDATIONS**

Option 1.

### **MOTION**

Move to adopt Resolution No. 8916 authorizing execution of a purchase agreement with Modern Machinery, for the purchase of an excavator for the Transportation Department, in an amount not to exceed \$127,411, plus applicable Washington State sales tax.

### **ATTACHMENTS**

Proposed Resolution No. 8916

### **AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

Purchasing Agreement

Quote from Modern Machinery