



CITY of NOVI CITY COUNCIL

Agenda Item F
January 9, 2012

SUBJECT: Approval to award the purchase of a John Deere 85D Hydraulic Excavator to JDE Equipment Company in the amount of \$83,866.

SUBMITTING DEPARTMENT: Department of Public Services / Water & Sewer Division

CITY MANAGER APPROVAL:

EXPENDITURE REQUIRED	\$83,866
ADDITIONAL AMOUNT REQUIRED	\$0
LINE ITEM NUMBER	592-000.00-140.000 (Water & Sewer Fund)

BACKGROUND INFORMATION:

The Water & Sewer Fund's capital expenditures recommended for 2011-12 included \$85,000 for a mini excavator. An excavator is a vital tool for performing operations and maintenance work in DPS's Water & Sewer Division, as underground infrastructure frequently requires soil excavation for maintenance and repairs. The new unit will enhance DPS's ability to efficiently repair and maintain Novi's underground infrastructure.

The new John Deere 85D unit will replace the existing JCB 214 backhoe in the City's fleet, which is 15 years old and beyond its useful life. This piece of equipment will enhance service to the community by providing increased power and digging capacity, which will improve productivity in the field. In addition, the 85D unit is equipped with rubber tracks that will minimize disturbance to the ground and reduce the cost of site restoration.

The John Deere 85D will be procured through the MiDeal Contract between the State of Michigan and JDE Equipment Co. of Grand Rapids, Michigan. The State of Michigan MiDeal Program allows Michigan's local units of government to benefit from the State's purchasing power by permitting them to purchase from the State contract at the same terms and prices.

The MiDeal contract pricing discounts the John Deere 85D and all optional equipment 28 percent from the manufacturer's list price. The discounted price for the unit is \$102,866. The trade-in allowance for the backhoe unit being replaced is \$19,000, bringing the net price of the new unit to \$83,866. Delivery will take place by May 2012.

RECOMMENDED ACTION: Approval to award the purchase of a John Deere 85D Hydraulic Excavator to JDE Equipment Company in the amount of \$83,866

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				

John Deere 85D Excavator





GRAND RAPIDS
 600 AIS Drive Southwest
 Grand Rapids, MI 49548
 Telephone: (616) 538-2400

SAGINAW
 4600 AIS Drive
 Bridgeport, MI 48722
 Telephone: (989) 777-0090

TRAVERSE CITY
 8300 M-72 East
 Williamsburg, MI 49690
 Telephone: (231) 267-9513

LANSING
 3600 North Grand River Avenue
 Lansing, MI 48906
 Telephone: (517) 321-8000

RICHMOND
 65809 Gratiot Avenue
 Lenox, MI 48050
 Telephone: (586) 727-7311

WEST DETROIT
 56555 Pontiac Trail
 New Hudson, MI 48165
 Telephone: (248) 437-8121

Mr. Robert M. West
 City of Novi
 26300 Delwal Drive
 Novi, MI 48075

December 21, 2011

Re: State of Michigan MiDeal Pricing for New John Deere 85D Hydraulic Excavator

Dear Mr. West:

AIS Construction Equipment/JDE Equipment Company is pleased to provide you with the following pricing for a new John Deere 85D Hydraulic Excavator with attachments to meet your current needs. The pricing shown is current MiDeal State Contract Pricing which meets your bid requirements and will be firm until such time as there is a manufacturer list price increase.

John Deere 85D as outlined in the attached Equipment Details pages:

List Price:	\$128,425.00
Less State Contract 28% Discount:	(\$ 35,959.00)
Sub Total for Excavator	\$ 92,466.00
Plus Additional Items provided by AIS/JDE:	
Woods/CF ¼ Yd AUTO-LOC Hydraulic Variable Pin Grabber Coupler	\$ 3,885.00
Woods/CF 24 In HD Pin on Bucket With teeth	\$ 1,105.00
Woods/CF Custom Main Pin Hydraulic Direct Thumb/Material Clamp	\$ 2,710.00
Installation of Auxiliary Hydraulics and Attachments	\$ 2,700.00
Less Trade in 1996 JCB 214SM	(\$ 19,000.00)
Total:	\$ 83,866.00



Copies of the pertinent pages of State of Michigan Contract No. 071B1300116 are attached with this quote. Please issue the order in accordance with the State Contract to:

JDE Equipment Company
651 AIS Drive SW
Grand Rapids, MI 49548

Please let me know if you have any questions or need any additional information. We look forward to continuing to assist you with your heavy construction equipment needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Robinson". The signature is stylized with a large, prominent "C" and "R".

Chris Robinson
Governmental Sales Manager





2.273 Systems Changes

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the Project Manager. Any changes Contractor makes to State systems with the State's approval must be done according to applicable State procedures, including security, access and configuration management procedures.

2.280 Extended Purchasing

2.281 MiDEAL

Act Number 431 of the Public Acts of 1984 permits the State of Michigan, Department of Technology, Management and Budget, to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. As a result of the enactment of this legislation, the MiDEAL Program has been developed. This program extends the use of state contracts to program members. The governmental agency must enter into an agreement with the State of Michigan to become authorized to participate, thus ensuring that local units of government secure a greater return for the expenditure of public funds.

In those cases, contract vendors supply merchandise at the established State of Michigan contract prices and terms. The contract vendor must submit invoices and pay the authorized MiDEAL member on a direct and individual basis according to contract terms.

IT IS MANDATORY THAT THIS CONTRACT BE MADE AVAILABLE TO ALL STATE OF MICHIGAN AGENCIES, AUTHORIZED MIDEAL PURCHASING PROGRAM MEMBERS, AND NASPO MEMBER STATES.

Please Visit Mi DEAL at www.michigan.gov/mideal under MiDEAL.

2.282 State Employee Purchases – Deleted, Not Applicable

2.290 Environmental Provision

2.291 Environmental Provision

Energy Efficiency Purchasing Policy – The State seeks wherever possible to purchase energy efficient products. This includes giving preference to U.S. Environmental Protection Agency (EPA) certified 'Energy Star' products for any category of products for which EPA has established Energy Star certification. For other purchases, the State may include energy efficiency as one of the priority factors to consider when choosing among comparable products.

Environmental Purchasing Policy – The State of Michigan is committed to encouraging the use of products and services that impact the environment less than competing products. The State is accomplishing this by including environmental considerations in purchasing decisions, while remaining fiscally responsible, to promote practices that improve worker health, conserve natural resources, and prevent pollution. Environmental components that are to be considered include: recycled content and recyclability; energy efficiency; and the presence of undesirable materials in the products, especially those toxic chemicals which are persistent and bioaccumulative. The Contractor should be able to supply products containing recycled and environmentally preferable materials that meet performance requirements and is encouraged to offer such products throughout the duration of this Contract. Information on any relevant third party certification (such as Green Seal, Energy Star, etc.) should also be provided.

Hazardous Materials:

For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health, natural resources or the environment. This includes, but is not limited to, materials the as batteries and circuit packs, and other materials that are regulated as



JDE EQUIPMENT COMPANY

6/18/2010



JOHN DEERE

ATTACHMENT B ADDITIONAL MACHINES

MACHINE AND OPTION/ATTACHMENT PRICING

STATE OF MICHIGAN REQUEST FOR PROPOSAL NO. 07110200092

MAKE	MODEL	DESCRIPTION	DISCOUNT OFF OF LIST PRICE
JOHN DEERE	310J	BACKHOE	39.00%
JOHN DEERE	310SJ	BACKHOE	39.00%
JOHN DEERE	310SJ TMC	BACKHOE	39.00%
JOHN DEERE	410J	BACKHOE	37.00%
JOHN DEERE	410J TMC	BACKHOE	37.00%
JOHN DEERE	710J	BACKHOE	35.50%
JOHN DEERE	444K	WHEEL LOADER	30.00%
JOHN DEERE	524K	WHEEL LOADER	35.00%
JOHN DEERE	544K	WHEEL LOADER	34.00%
JOHN DEERE	624K	WHEEL LOADER	36.00%
JOHN DEERE	644K	WHEEL LOADER	32.00%
JOHN DEERE	724K	WHEEL LOADER	35.00%
JOHN DEERE	670G	MOTOR GRADER	32.00%
JOHN DEERE	672G	MOTOR GRADER	32.00%
JOHN DEERE	770G	MOTOR GRADER	33.00%
JOHN DEERE	772G	MOTOR GRADER	33.00%
JOHN DEERE	870G	MOTOR GRADER	36.00%
JOHN DEERE	872G	MOTOR GRADER	36.00%
JOHN DEERE	450J	DOZER	24.00%
JOHN DEERE	550J	DOZER	24.00%
JOHN DEERE	650J	DOZER	25.00%
JOHN DEERE	75D	EXCAVATOR	28.00%
JOHN DEERE	85D	EXCAVATOR	28.00%
JOHN DEERE	120D	EXCAVATOR	19.00%
JOHN DEERE	135D	EXCAVATOR	28.00%
JOHN DEERE	160D	EXCAVATOR	30.00%
JOHN DEERE	190DW	WHEELED EXCAVATOR	42.00%
JOHN DEERE	200D	EXCAVATOR	32.00%
JOHN DEERE	220DW	WHEELED EXCAVATOR	42.00%
JOHN DEERE	225D	EXCAVATOR	32.00%
JOHN DEERE	240D	EXCAVATOR	31.00%
JOHN DEERE	313	SKID STEER LOADER	22.00%
JOHN DEERE	315	SKID STEER LOADER	22.00%