

City of Seguin
Finance Department
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Memorandum

Date: November 3, 2015

To: Mayor and City Councilmembers
Douglas Faseler, City Manager

From: Twila Wood
Purchasing Manager

Subject: Purchase of two Backhoes

The City's 2015-2016 Budget provides for the purchase of two (2) Backhoe Loaders in the amount of \$90,000 each for Water/Wastewater Utilities. One new backhoe will replace a 1983 model that is no longer fully functional or dependable. The second new piece of equipment is required due to the addition of a new work crew in the department.

The equipment is available on a Houston-Galveston Area Council (H-GAC) contract. The H-GAC is a regional council of governments that award all contracts for goods and services in compliance with state bidding requirements. Purchasing from an H-GAC contract allows local governments to benefit from volume discount pricing and an expedited procurement process.

A quote for a Case 580SN 4WD Tractor Loader Backhoe in the amount of \$85,383.78 each was obtained from ASCO Equipment in San Antonio. Delivery is expected in 60-90 days.

Staff recommends approval.