



MEMORANDUM

Date: November 14, 2024

To: Honorable Mayor and Commissioners

Via: Todd Stoughton
Interim City Manager

From: Matt Willman
Utilities Director

Subject: (File Id 24-6573) **Approval of a Purchase Exception per Section 2-797(3) of the Code of Ordinances to Purchase One (1) 2024 Kubota Compact Track Loader, from Florida Coast Equipment in the Amount of \$75,597.95**

Introduction

Staff requests a purchase exception per Section 2-797(3) of the Code of Ordinances for the cooperative purchase of one (1) 2024 Kubota Compact Track Loader, from Florida Coast Equipment in the Amount of \$75,597.95.

Background

The City of Key West through our contractor, Operations Management International, Inc. (OMI), operates and maintains our sanitary sewer utility. Heavy machinery and excavators are a critical tool in assisting our operations staff in performing necessary tasks. Excavators are needed when sewer line replacement or repair is required as well as providing multiple other tasks associated with the city infrastructure. Said equipment is used extensively in weekly operations. Currently, a significant portion of our heavy equipment is approaching 20 years of service life. Given the corrosive environment in which the equipment operates, renewal of the fleet is warranted.

The purchase of this equipment was approved in the FY 24/25 budget in the amount of \$550,000. Staff received quotes from Crystal Tractor & Equipment (\$75,628.00) and Florida Coast Equipment (\$75,597.95) for the 2024 Kubota Compact Track Loader - SVL97-2HFC.

The proposed purchase is through the State of Florida, Department of Management Services Cooperative Purchasing Program. Florida Coast Equipment has a contract through the Department of Management

Services program. Staff has reviewed the pricing from Florida Coast Equipment and the quotes are consistent with the pricing in the contract for item Bid No. 22100000-21-STC for the Excavator. Staff believes the cost is reasonable and recommends following through with the purchase to renew a portion of our older equipment.

Procurement

This purchase is exempt per the Code of Ordinances Section 2-797(3), “Purchases and acquisitions under contracts of federal government, the state or its political subdivisions, and governmental purchasing cooperative programs.”, but must be authorized by City Commission per Section 2-797(3)(c) since the cost exceeds \$50,000. Florida Coast Equipment’s contract with the Department of Management Services was competitively bid and is consistent with Section 2-797(3) of our code.

The machinery is budgeted in FY 24/25 within Account 4013503-5356400 Renewal & Replacement/Machinery & Equipment in the amount of \$550,000. The quoted cost for the machine is \$75,597.95, which is within the budgeted amount.

Recommendation

Staff recommends authorizing a purchase exception in accordance with the Code of Ordinances Section 2-797(3) for the purchase of one (1) 2024 Kubota Compact Track Loader - SVL97-2HFC from Florida Coast Equipment in the amount of \$75,597.95 and authorize any necessary budget transfers.