




MEMORANDUM

Date: July 13, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress
City Manager 

From: Kelly Crowe, P.E.
Utilities Director

Subject: **Approval of a Purchase Exception per Section 2-797(3) of the Code of Ordinances to Purchase One (1) 2023 Kubota Excavator, from Ridge Equipment Co. in the Amount of \$60,550.00**

Introduction

Staff requests a purchase exception per Section 2-797(3) of the Code of Ordinances for the cooperative purchase of one (1) 2023 Kubota Excavator KX0404R3A, for a total of \$60,550.00.

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 aggressive environment in which the equipment operates, renewal of the fleet is warranted.

In the approved FY 22/23 budget, the purchase of an Excavator was approved in the amount of \$75,000. Staff received quotes from Ridge Equipment in the amount of \$60,550.00 for the 2023 Kubota Excavator KX0404R3A.

The proposed purchase is through the Florida Sheriffs Association (FSA) Cooperative Purchasing Program (Program). Ridge Equipment has a contract through the FSA program. Staff has reviewed the pricing from Ridge Equipment and the quotes are consistent with the pricing in the FSA contract for item

FSA20-EQU18.0: Heavy Equipment 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. Ridge Equipment's contract with the Florida Sheriffs Association was competitively bid and is consistent with Section 2-797(3) of our code.

The machinery is budgeted in FY 22/33 within Account 4013503-5356400 Renewal & Replacement/Machinery & Equipment in the amount of \$75,000. The quoted cost for the machine is \$60,550.00, which is within the budgeted amount.

Recommendation

The City Manager's Office recommends authorizing a purchase exception in accordance with the Code of Ordinances Section 2-797(3) for the purchase of one (1) 2023 Kubota Excavator KX0404R3A from Ridge Equipment in the amount of \$60,550 and authorize any necessary budget transfers.