



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** May 27, 2026

**AGENDA ITEM:** Consider a motion to approve the procurement of a Vermeer VX50-500 Vacuum Excavator and authorize the General Manager to sign the Purchase Order for \$75,390.73.

**PREPARED BY:** Julie Kennedy, General Manager

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## **BACKGROUND:**

This purchase represents the second phase of the mini-excavator acquisition completed earlier this year. Mini excavators and vacuum excavator trailers work hand-in-hand in electric utility construction to safely expose buried lines, dig precise trenches, and set utility poles in congested rights-of-way. The vacuum trailer safely uncovers hidden lines without damage, while the mini excavator handles the heavy digging, material placement, and backfilling. The electric crew evaluated the appropriate trailer size and tested a unit to confirm it meets operational needs. Although this equipment is new to GRPU, all line crew members have experience using similar equipment with previous employers.

We recommend purchasing a 2023 Vermeer VX50-500 model that was previously rented by a single user for two years and has only 140 operating hours. Because it is a prior model year, we were able to secure a significant discount. The quote was obtained through Sourcewell's cooperative purchasing program.

Under Minnesota Statutes §471.345, subdivision 15, GRPU is authorized to participate in cooperative purchasing arrangements such as Sourcewell, allowing procurement without the standard competitive bidding process. Section 5 of the Sourcewell/Vermeer Contract confirms that GRPU, as a "Participating Entity," receives all contractual benefits. Section 6 allows GRPU and Vermeer to enter into a separate contract if additional terms are needed.

Our legal team reviewed both the Sourcewell/Vermeer Contract and GRPU's standard procurement contract and determined that the Sourcewell agreement includes all essential protections. Key advantages include strong warranty terms, a broad indemnification provision requiring Vermeer to indemnify GRPU, and comprehensive insurance requirements that list GRPU as an additional insured on Vermeer's CGL policy.

Based on this review, the legal team recommends proceeding with Vermeer's Purchase Order without creating a separate contract, as the existing Sourcewell agreement sufficiently protects GRPU's interests.



**RECOMMENDATION:**

Approve the procurement of a Vermeer VX50-500 Vacuum Excavator and authorize the General Manager to sign the Purchase Order for \$75,390.73.