Meeting Date: December 12, 2024   **Agenda Type:** Consent Items for Action

From: Kenneth Allen
Fleet & Facilities Manager

Reviewed by: Shawn Schorn
Director of Business Planning

Submitted by: Mark Steelman
Chief Operations Officer

Approved by: Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Holt Texas, Ltd. for the Purchase of Two (2) Caterpillar Backhoe Loaders, One (1) Model 420 C4EX and One (1) Model 420 C4SX

BACKGROUND

In order to modernize existing and equip new service crews, New Braunfels Utilities ("NBU") identified the need to purchase two (2) Caterpillar backhoe loaders, one model 420 C4EX and one model 420 C4SX.

As a result, NBU has selected to purchase the equipment from Caterpillar Inc. through the Sourcewell contract number 060920_NVS (the "Contract"). NBU's use of the Sourcewell contract satisfies the competitive bidding requirements under Texas law.

NBU staff requests that the Board of Trustees approve the Contract with Caterpillar Inc. for the backhoe equipment. Due to current market conditions and long lead times, vehicles are highly susceptible to price increases during delivery. Should the final price of the approved vehicles increase upon delivery, this price increase will be reported back to the Board at the next available meeting. Under no circumstances will NBU accept delivery of a vehicle with a price increase in excess of 10%, or which causes the Fleet and Facilities department to exceed the approved Fiscal Year 2025 Capital Equipment Budget.

This item is being presented to the Board because the total amount of the contract exceeds $250,000.

FINANCIAL IMPACT

The total financial impact of the Contract for the equipment is $270,350.00. The purchase of the equipment is budgeted in the fiscal year 2025 Capital Equipment Budget.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Sourcewell contract number 060920-NVS
2. Equipment Quotes