



**CITY of NOVI CITY COUNCIL**

**Agenda Item: E  
May 20, 2013**

**SUBJECT:** Approval to procure a Caterpillar Model CB22 Vibratory Asphalt Compactor, from Michigan Caterpillar, Inc., using the State of Michigan (MiDeal) cooperative purchasing contract, in the amount of \$35,342.

**SUBMITTING DEPARTMENT:** Department of Public Services – Field Operations Division *BIC* *M.W.*

**CITY MANAGER APPROVAL:** *[Signature]*

<b>EXPENDITURE REQUIRED</b>	<b>\$ 35,342</b>
<b>AMOUNT BUDGETED</b>	<b>\$ 38,400</b>
<b>APPROPRIATION REQUIRED</b>	<b>\$ 0</b>
<b>LINE ITEM NUMBER</b>	<b>101-442.20-984.000</b>

**BACKGROUND INFORMATION:** The Novi City Council approved funding for the purchase of a new vibratory roller in the fiscal year 2012-2013. This machine would allow staff to perform a wide variety of roadway maintenance tasks, and its procurement would eliminate the need to rent similar equipment each year (see attached photo).

Procurement of the vibratory roller would provide DPS staff members the ability to schedule roadway maintenance as required by service priority, rather than scheduling work around the availability and restrictions associated with rental equipment. This machine would allow staff to extend "summer maintenance" asphalt repairs to as many as seven months (previously limited to as little as three months due to local equipment demand during the construction season). The vibratory roller's versatility would provide staff the ability to compact stone and multiple layers of asphalt greater than two inches, and to correct athletic field imperfections.

DPS currently rents a vibratory roller for approximately \$2,000 per month and up to seven months annually. Based on the estimated rental time required for annual repairs, the payback period for this machine would be 2.5 years.

The pricing is based on the State of Michigan's MiDeal cooperative purchasing contract with Novi-based Michigan Caterpillar, Inc. for a Caterpillar Model CB22 vibratory asphalt compactor, see attached quote and MiDeal document(s). Delivery is expected in May 2013.

**RECOMMENDED ACTION:** Approval to procure a Caterpillar Model CB22 Vibratory Asphalt Compactor, from Michigan Caterpillar, Inc., using the State of Michigan (MiDeal) cooperative purchasing contract, in the amount of \$35,342.

	<b>1</b>	<b>2</b>	<b>Y</b>	<b>N</b>
<b>Mayor Gatt</b>				
<b>Mayor Pro Tem Staudt</b>				
<b>Council Member Casey</b>				
<b>Council Member Fischer</b>				

	<b>1</b>	<b>2</b>	<b>Y</b>	<b>N</b>
<b>Council Member Margolis</b>				
<b>Council Member Mutch</b>				
<b>Council Member Wrobel</b>				



Corporate  
 Headquarters  
 24800 Novi Road  
 PO Box 918  
 Novi, MI 48375-0918

April 30, 2013

Mr. Matt Wiktorowski  
 City of Novi  
 45175 W. 10 Mile Rd.  
 Novi, MI 48375

Dear Matt:

We are pleased to quote the following for your consideration:

(1) Caterpillar Model CB22 Vibratory Asphalt Compactor Unit# N.I.S., S/N Factory Order. Price: \$35,342

The following factory and dealer options are included:

- \* CB22 Utility Compactor DCA-1,
  - \* Rooding and working lights,
  - \* Seat with safety switch,
  - \* Sliding support for seat,
  - \* Water tank 240L,
  - \* Std. Muffler,
  - \* Std. Propel,
  - \* Rear drum vibration control,
  - \* Factory filled hyd oil,
  - \* Cocoa Matts,
  - \* Foldable Rops,
  - \* Battery disconnect switch,
- \* Warranty: Base Warranty is 12 Months/Unlimited Hrs. with 6 Months Mileage.

CAT List Price = \$45,310.00  
 Less 22% for MI Deal = \$-9968.00

TOTAL \$35,342

We believe the equipment as quoted will exceed your expectations. On behalf of Michigan CAT, thank you for the opportunity to quote Caterpillar machinery.

Sincerely,

Steve Whirley  
 Account Representative  
 (313) 407-1600

'This proposal is good for 30 days'

1-888-MICH CAT

[www.michigancat.com](http://www.michigancat.com)

Novi • Shelby Twp. • Grand Rapids • Saginaw • Lansing  
 Kalkaska • Brownstown Twp.

STATE OF MICHIGAN  
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET December 20, 2010  
 PURCHASING OPERATIONS  
 P.O. BOX 30026, LANSING, MI 48909  
 OR  
 530 W. ALLEGAN, LANSING, MI 48933

**NOTICE  
 OF  
 CONTRACT NO. 071B1300092  
 between  
 THE STATE OF MICHIGAN  
 and**

NAME & ADDRESS OF CONTRACTOR		TELEPHONE (248) 349-4800
<b>Michigan CAT</b> <b>24800 Novi Rd.</b> <b>Novi, MI 48375-2414</b> Email: Terry.Erickson@michigancat.com		<b>Terry Erickson</b>
		CONTRACTOR NUMBER/MAIL CODE
		BUYER/CA (517) 241-1145
		<b>Lymon C. Hunter, CPPB</b>
Contract Compliance Inspector: Irene Pena		
<b>Earth Moving and Road Maintenance Equipment Rental and Purchase - Statewide</b>		
CONTRACT PERIOD: 3 yrs. + 2 one-year options From: <b>October 1, 2010</b> To: <b>September 30, 2013</b>		
TERMS		SHIPMENT
<b>Net 30</b>		<b>N/A</b>
F.O.B.		SHIPPED FROM
<b>Delivered</b>		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>None</b>		
MISCELLANEOUS INFORMATION:		

**THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.**

The terms and conditions of this Contract are those of ITB #07110200092 and #07110200129, this Contract Agreement and the vendor's quote dated 06/15/10. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: \$1,500,000.00



**ATTACHMENT B - CATERPILLAR PRODUCT DISCOUNTS**



**State of Michigan Discount Structure for Caterpillar Products**

All discounts are a percentage discount from Manufacturer's Current

Suggested List/Retail Price in effect on date of purchase order.

All attachments shipped from CAT Machine Factory will receive same discount as machine

**Backhoe Loader**

Model	Discount
416	30%
420	30%
430	30%
450	30%

**Skid Steer Loaders**

Model	Discount
216	32%
226	32%
232	32%
236	32%
242	32%
246	32%
252	32%
256	32%
262	32%
272	32%

**Multi Terrain Loader**

Model	Discount
247	30%
257	30%
277	30%
287	30%
297	30%

**Compact Track Loaders**

Model	Discount
279	30%
289	30%
299	30%

**Wheel Loaders**

Model	Discount
906H	32%
908H	32%
914G	31%
IT14	31%
924H	30%
928H	30%
930H	30%
938H	34%
950H	32%
962H	33%
966H	33%

**Track Type Tractors**

Model	Discount
D3K	29%
D4K	29%
D5K	29%
D6N	29%
D6K	29%

**Asphalt Rollers**

Model	Discount
CB14	19%
CB24	22%
CB34	24%

**Motor Graders**

Model	Discount
12	39%
14	32%
120	41%
140	35%
160	36%

**Hydraulic Excavators**

Model	Discount
301.8	23%
302.5C	32%
303C	32%
303.5 CCR	32%
304C	32%
305C	32%
307D	32%
308D	32%
312D	27%
314D	28%
315D	27%
319	27%
320D	27%
321D	29%
324D	29%
328	29%
329D	28%
336	28%

**Wheeled Excavators**

Model	Discount
M313	35%
M315	35%
M316	37%
M318	37%
M322	33%

**CAT Work Tools  
Sold Separately  
16% Discount**

Any non-CAT and/or field installed attachments may be subject to set-up and/or installation charges.

All pricing is based on Tier III compliant equipment with freight delivered to Michigan only.

