



Interoffice Memorandum

March 18, 2019

TO: Mayor Jerry L. Demings
and the Board of County Commissioners

FRBM Carrie Mathes, Manager, Procurement Division

CONTACT: Doug McPherson, Section Manager, Solid Waste Division
(407) 836-6654

SUBJECT: Approval of Purchase Order M95337, Purchase of a Premier Warranty and Preventative Maintenance, Total Maintenance and Repair Service Contract

ACTION REQUESTED:

Approval of Purchase Order M95337, Purchase of a Premier Warranty and Preventative Maintenance, Total Maintenance and Repair Service Contract, with Flagler Construction Equipment LLC, in the amount of \$112,000.

PROCUREMENT:

This purchase will provide a five-year or 10,000-hour premier warranty and a five-year or 10,000-hour total maintenance and repair service contract for an A45 off road dump truck to be used at the County landfill.

FUNDING:

Funding is available in account 4410-038-1025-3820.

APPROVALS:

The Solid Waste Division concurs with this recommendation.

REMARKS:

The Solid Waste Division is purchasing a Volvo A45 off road dump truck using the Florida Sheriff's Association Contract No FSA18-VEH16.0.

The Solid Waste Division requires the additional purchase of two off contract items: a five-year or 10,000-hour premier warranty in the amount of \$42,000 and a five-year or 10,000-hour total maintenance and repair contract in the amount of \$70,000.

Flagler Construction Equipment LLC is the sole authorized dealer for Volvo construction equipment within the Central Florida area and is the sole authorized dealer to perform warranty and repair services on Volvo construction equipment within the Central Florida area.

Warranty and total maintenance and repair service costs are a necessity to prevent against equipment failures that the County has experienced in the past. These equipment failures have a negative impact on County operations.

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The five-year or 10,000-hour total maintenance and repair service contract helps protect against warranty issues by ensuring warranty required services are performed on time to protect against unpredictable spikes in overhead due to machine maintenance and repairs, help prevent catastrophic failures with oil analysis, provide early warning signs, and protect against unforeseen rising costs.

Price reasonableness has been determined based on comparison to existing equipment with similar type of coverage.