



Interoffice Memorandum

January 8, 2019

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

FROM: *Carrie Mathes*

Carrie Mathes, Manager, Procurement Division

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

SUBJECT: Approval of Purchase Order M94166, Purchase of Caterpillar Premier Warranty,
Total Maintenance and Repair Service Contract and Auto Lube.

ACTION REQUESTED:

Approval of Purchase Order M94166, Purchase of Caterpillar Premier Warranty, Total Maintenance and Repair Service Contract and Auto Lube, with Ring Power Corporation, in the amount of \$180,256.

PROCUREMENT:

This purchase will provide a five-year or 10,000-hour premier warranty, a five year or 10,000-hour total maintenance and repair contract and auto lube for an 836K compactor to be used at the County landfill.

FUNDING:

Funding is available in account 4410-038-1036-6430.

APPROVALS:

The Solid Waste Division concurs with this recommendation.

REMARKS:

The Solid Waste Division is purchasing a Caterpillar specialized compactor to be used at the County Landfill using the Florida Sheriff's Association Contract No FSA18-VEH16.0.

The Solid Waste Division requires the additional purchase of three off contract items: a five-year or 10,000 hour premier warranty in the amount of \$85,306; a five-year or 10,000 hour total maintenance and repair contract in the amount of \$111,200; and an installed auto lube system in the amount of \$7,750, less a Caterpillar warranty credit of (\$24,000).

Ring Power Corporation is the sole authorized dealer for Caterpillar within the Central Florida area and is the sole authorized dealer to perform warranty and repair services on Caterpillar equipment within the Central Florida area.

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Purchase Order M94166, Purchase of Caterpillar Premier Warranty, Total Maintenance and Repair Service Contract, and Auto Lube.

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. Without auto lube the compactor would be exposed to uncontrollable damage that would put daily operations at risk.

The total maintenance and repair service contract helps protect against warranty issues by ensuring warranty required services are performed on time protecting against unpredictable spikes in overhead due to machine maintenance and repairs, helping prevent catastrophic failures with oil analysis and providing early warning signs, and protecting against unforeseen rising costs.

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