



Office of the City Manager

CONSENT CALENDAR
March 21, 2023

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Liam Garland, Director, Department of Public Works
Subject: Purchase Order: Pape Machinery, Inc. for One John Deere 320P Backhoe Loader

RECOMMENDATION

Adopt a Resolution satisfying requirements of City Charter Article XI Section 67.2 allowing the City Manager to participate in Sourcwell bid procedures and authorizing the City Manager to execute a purchase order for one (1) 2023 John Deere 320P Backhoe Loader with Pape Machinery, Inc. in an amount not to exceed \$215,000.

FISCAL IMPACTS OF RECOMMENDATION

The purchase of one (1) 2023 John Deere 320P Backhoe Loader will not exceed \$215,000 and includes California tire fees, warranty, and sales tax. Funding for the purchase is available in the FY 2023 budget for Equipment Replacement Fund (Account Code: 671-54-626-723-0000-000-473-664120).

CURRENT SITUATION AND ITS EFFECTS

This purchase will replace unit # 2318, a 2008 John Deere Backhoe Loader that has exceeded its useful life expectancy. The Public Works Department Operations Division requires a replacement vehicle to perform a variety of tasks including street repairs and construction, asphalt and paving work, sidewalk repairs, encampment debris clean up, fire damage clean up, illegal dumping removal, and sewer repair projects.

The purchase supports the City's Strategic Plan Goal of providing state-of-the-art, well-maintained infrastructure, amenities, and facilities

BACKGROUND

Throughout the year, each City Department pays its proportionate share into the Equipment Replacement Fund, and those funds are utilized to replace equipment at the end of its useful life. If a vehicle purchase request exceeds \$25,000, the Department of Finance, General Services Division solicits bids or piggybacks off competitively bid contracts to ensure City Departments receive the best pricing.

City Charter XI Section 67.2 allows the City to purchase goods without undergoing a competitive bid process if the City uses pricing obtained by another entity through a competitive process.

The City of Berkeley has been a no-cost member and participant of Sourcewell (formerly National Joint Powers Alliance) (NJPA), a municipal contracting agency operating under the legislative authority of Minnesota Statute 123A.21. The original statute was revised in 1995 to allow government clients to better meet their specific needs through participation in a service cooperative, rather than paying higher costs associated with individual procurement. Sourcewell allows participating municipal agencies to leverage the benefits of cooperative purchasing and reduces procurement costs. Sourcewell serves all educational, government, and non-profit agencies nationwide, and offers cooperative contracted products, equipment, and service opportunities to government entities throughout the U.S.

All Sourcewell contracts have been competitively solicited nationwide. On January 31, 2019, Sourcewell released Request for Proposal No. 032119 for Heavy Construction Equipment with Related Accessories, Attachments, and Supplies. The solicitation was released for approximately fifty-one days and sixteen proposals were submitted and received. Upon review, the Sourcewell proposal evaluation committee selected John Deere Construction Retail Sales, a division of John Deere Shared Services, Inc. as the best most responsive proposer to meet the specifications thusly awarding Contract No. 032119-JDC.

For all contracts, Sourcewell charges an administrative fee based on the percentage of the sale, and that fee is paid by the Contractor directly to Sourcewell. For this purchase, the fee will be paid by John Deere Company and will not be passed on to the City of Berkeley.

The John Deere Construction & Forestry Company (JDCFC) dealer in the state of California, including the City of Berkeley, is Pape Machinery, Inc. Pape Machinery Inc. is authorized to sell, lease, rent, sell the subsequent genuine OEM parts and is qualified and trained to provide service and warranty repairs on JDCFC products as specified in their JDCFC agreement.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The John Deere Backhoe is an off-road asset equipped with the highest-rated compliance engine assembly available. Engine application will include a Tier 4 Final assembly, which meets the strictest EPA Emissions requirement of off-highway diesel engines. It will be powered by 100% renewable diesel that meets 2018 EPA And California Air Resources Board (CARB) requirements. The combined applications will reduce greenhouse gas emissions by as much as 50-80% from the existing equipment.

Fleet Maintenance staff, in compliance with the 2020 Municipal Fleet Electrification Assessment, researched to ascertain whether a cost-effective electric heavy-duty construction equipment in this classification is available. Staff research revealed no fully electric version is available at this time.

RATIONALE FOR RECOMMENDATION

Equipment must be replaced on a reasonable schedule to ensure the Public Works Equipment operators can efficiently and effectively carry out their duties.

ALTERNATIVE ACTIONS CONSIDERED

None. Keeping equipment longer than its useful life results in higher maintenance costs, more pollution, and excessive downtime to maintain the asset in a safe and serviceable condition.

CONTACT PERSON

Andrew Brozyna, Deputy Director of Public Works, Operations (510) 981-6369
Joy Brown, Operations Manager, Department of Public Works (510) 981-6629
Greg Ellington, Superintendent, Department of Public Works (510) 981-6490

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

PURCHASE ORDER: PAPE MACHINERY, INC. FOR ONE 2023 JOHN DEERE 320P
BACKHOE LOADER

WHEREAS, one (1) new 2023 John Deere 320P Backhoe Loader is needed by the Public Works Street Maintenance Division to perform a variety of tasks including street repairs and construction, asphalt and paving work, sidewalk repairs, encampment debris clean-up, fire damage clean-up, illegal dumping removal, and sewer repair projects; and

WHEREAS, equipment unit number 2318 being replaced has reached the end of its useful life; and

WHEREAS, equipment must be replaced on a reasonable schedule that allows equipment operators to efficiently and effectively carry out their duties; and

WHEREAS, City Charter XI Section 67.2 allows the City to purchase goods without undergoing a competitive bid process if the City uses pricing obtained by another entity through a competitive bid process; and

WHEREAS, Sourcewell awarded Contract No. 032119-JDC to John Deere Construction Retail Sales as the most responsible and responsive proposer; and

WHEREAS, Sourcewell Contract No. 032119-JDC satisfies the procurement requirement of the City of Berkeley; and

WHEREAS, funds in the amount of \$215,000 are available in the FY 2023 Equipment Replacement Fund 671 (671-54-626-723-000-000-473-664120).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a purchase order satisfying requirements of City Charter Article XI Section 67.2 allowing the city to participate in Sourcewell (formerly NJPA) bid procedures to purchase one 2023 John Deere 320P Backhoe Loader with Pape Machinery, Inc. in an amount not to exceed \$215,000.