



City of Arts & Innovation

# City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: OCTOBER 10, 2023

FROM: GENERAL SERVICES DEPARTMENT      WARDS: ALL

SUBJECT: MEASURE Z – PURCHASE A VARIETY OF HEAVY-DUTY EQUIPMENT FROM MULTIPLE VENDORS FOR THE PUBLIC WORKS DEPARTMENT STREET MAINTENANCE DIVISION IN THE TOTAL AMOUNT OF \$2,372,958.29

## **ISSUE:**

Approve the purchase of a variety of heavy-duty equipment from multiple vendors for the Public Works Department Street Maintenance Division in the total amount of \$2,372,958.29.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the purchase of a variety of heavy-duty equipment from multiple vendors for the Public Works Street Maintenance Division in the total amount of \$2,157,234.81; and
2. Authorize a 10% change order authority up to \$215,723.48 for a total amount of \$2,372,958.29.

## **BACKGROUND:**

The Public Works Department Street Maintenance Division is responsible for the maintenance and repairs of City of Riverside (City) roadways. These responsibilities include, but are not limited to, repairing potholes, slurry sealing roadways, grading, and excavation. The field crews require various types of heavy-duty equipment to accomplish their operational responsibilities and it is crucial that the equipment is readily available, safe, and reliable.

Measure Z took effect on April 1, 2017, and helped restore many critical services eliminated in the fiscal 2016 budget, and enhance other critical unfunded needs, including Public Works Streets vehicles and equipment.

On June 22, 2021, the City Council approved the FY 2021/22 annual budget which included an annual allocation from Measure Z funds for Public Works Streets vehicles and equipment replacement through FY 2024/25 for a total funding amount of \$5,230,000.

On June 8, 2023, the Budget Engagement Commission received and filed the proposed amendment of Fiscal Year 2023/24 of the previously adopted Fiscal Year 2022-2024 Biennial Budget, which included moving the FY 2024/25 funding totaling \$1,180,000 forward to FY 2023/24 due to new state mandated requirements for governmental vehicle purchases.

On June 27, 2023, the City Council approved the amendment to the budget for Fiscal Year 2023/24.

The equipment that is proposed for replacement has experienced extended periods of down time for repairs, has exceeded their expected service life, and has excessive life to date maintenance costs. To ensure operating efficiency, employee productivity, and continued public safety, equipment that has reached the end of their economic and useful life span should be replaced. The new proposed equipment will replace the existing units outlined in the following table:

<b>Asset No.</b>	<b>Year Make Model</b>	<b>Odometer</b>	<b>Replacement Reason</b>	<b>Life to Date Maintenance Costs</b>
L114	1987 Caterpillar 926 Wheel Loader	14,445	36 years of age with excessive wear and tear and life to date maintenance cost and does not meet clean air regulatory requirements.	\$277,540.84
E323	2002 GMC TC7H042 Patch Truck	102,990	21 years of age with excessive wear and tear and life to date maintenance cost.	\$133,285.47
E352	2007 Chevrolet C5500 Cement Truck	79,382	16 years of age with excessive wear and tear and life to date maintenance cost.	\$96,533.36
E353	2007 Chevrolet C5500 Cement Truck	83,233	16 years of age with excessive wear and tear and life to date maintenance cost.	\$117,409.88
E375	2008 GMC TC4C042 Cone Truck	73,900	15 years of age with excessive wear and tear and life to date maintenance cost.	\$130,847.12
E388	2009 GMC TC4C042 Cone Truck	79,450	14 years of age with excessive wear and tear and life to date maintenance cost.	\$97,559.74
S105	1987 International 5 Yard Dump Truck	136,608	36 years of age with excessive wear and tear and life to date maintenance cost and does not meet clean air regulatory requirements.	\$97,880.40
S114	1990 GMC TC7D042 3 Yard Dump Truck	205,335	33 years of age with excessive wear and tear and life to date maintenance cost and does not meet clean air regulatory requirements.	\$141,397.98
S124	1996 Ford F-800 5 Yard Dump Truck	104,261	27 years of age with excessive wear and tear and life to date maintenance cost and does not meet clean air regulatory requirements.	\$110,102.15

D040	2006 Ford F-550 Flatbed Truck	96,067	17 years of age with excessive wear and tear and life to date maintenance cost.	\$73,603.22
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**DISCUSSION:**

After conferring with the Public Works Department Street Maintenance Division, the following vehicles and equipment have been identified as suitable replacements for the currently aged fleet. Costs for the proposed replacement equipment is outlined in the table below:

<b>Equipment</b>	<b>Qty</b>	<b>Unit Price After Discount</b>	<b>Misc Fees</b>	<b>Sales Tax</b>	<b>Total Price</b>
Freightliner M2 112 Patch Truck (PB Loader)	1	\$338,200.00	\$1,800.00	\$29,592.50	\$369,592.50
5 Yard Dump Truck (PB Loader)	3	\$163,359.00	\$1,810.50	\$14,293.91	\$538,390.24
Ford F650 Flatbed Truck (PB Loader)	1	\$171,661.00	\$1,810.50	\$15,020.34	\$188,491.84
Ford F650 Cone Truck (PB Loader)	2	\$166,018.00	\$2,010.50	\$14,526.58	\$365,110.15
Ford F650 Cement Truck (PB Loader)	2	\$163,362.00	\$2,010.50	\$14,294.18	\$359,333.35
Caterpillar 930M Wheel Loader (Quinn Company)	1	\$280,291.51	\$7.00	\$24,525.51	\$304,824.02
Felling Drop Deck Trailer (Sonsray Machinery)	1	\$28,591.92	\$399.00	\$2,501.79	\$31,492.71
				<b>TOTAL</b>	<b>\$2,157,234.81</b>

**Cooperative Procurement**

Sourcewell is a national service cooperative created to provide government procurement resources and solutions to members in government, education, and nonprofit sectors. Since the City of Riverside is a member of Sourcewell, the vendors listed below are able to provide the best overall government pricing in accordance with the associated Cooperative Agreements.

**PB Loader Corporation (080521-PBL)**

PB Loader Corporation provides the best overall government pricing in accordance with Cooperative Agreement Number 080521-PBL through the competitive procurement process. Sourcewell released RFP #080521 on June 17, 2021 and received thirty responses on the Proposal due date of August 5, 2021. Four Sourcewell evaluators found all companies to be responsive and responsible and, after a thorough evaluation, six of the companies, including PB Loader Corporation, were awarded a Sourcewell contract in their October 4, 2021 Board meeting. Per the awarded contract 080521-PBL, PB Loader Corporation is offering the City of Riverside a

10% discount off all products except the chassis and a 5% discount off the chassis reducing the total price by \$92,824.17.

Quinn Company (032119-CAT)

Caterpillar Inc. is able to provide the best overall government pricing in accordance with Cooperative Agreement Number 032119-CAT through the competitive procurement process. Sourcwell released RFP #032119 on January 31, 2019 and received fifteen responses on the Proposal Due Date of March 21, 2019. Five Sourcwell evaluators found all companies to be responsive and responsible. Sourcwell awarded nine of the companies, including Caterpillar Inc., in their May 9, 2019, Board meeting. Per the awarded contract 032119-CAT, Caterpillar Inc. is offering the City of Riverside a 24% discount off the list price, reducing the equipment price by \$85,161.84.

Quinn Company is an authorized dealer for Caterpillar Inc., as allowable within the terms of the cooperative agreement, and has offered pricing consistent with the discount in the agreement.

Sonsray Machinery (092922-FTS)

Felling Trailers Inc. is able to provide the best overall government pricing in accordance with Cooperative Agreement Number 092922-FTS through the competitive procurement process. Sourcwell released RFP #092922 on August 11, 2022 and received twenty-one responses on the Proposal Due Date of September 29, 2022. Four Sourcwell evaluators found fourteen companies to be responsive and responsible. Sourcwell awarded eleven of the companies, including Feller Trailers Inc., in their December 16, 2022, Board meeting. Per the awarded contract 092922-FTS, Felling Trailer Inc. is offering the City of Riverside a discount off list price, reducing the trailer price by \$3,463.08.

Sonsray Machinery is an authorized dealer for Felling Trailer Inc., as allowable within the terms of the cooperative agreement, and has offered pricing consistent with the discount in the agreement.

The utilization of the Sourcwell Contracts is in accordance with Purchasing Resolution No. 23914, Section 602 (d) & (f), which state, “Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ... (d) When the Procurement can only be obtained timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated; ... (f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements”.

The Public Works Director concurs with the recommendations.

The Purchasing Manager concurs that this purchase is in compliance with Purchasing Resolution 23914.

**STRATEGIC PLAN ALIGNMENT:**

The recommended purchase of the new replacement heavy-duty equipment contributes to the City’s Strategic Priority No. 4 Environmental Stewardship and Goal 4.6 – implement the requisite measures to achieve citywide neutrality no later than 2040.

The recommended purchase aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This action builds community trust by ensuring that the Public Works Street Maintenance Division has safe and reliable equipment available for crew members to use when responding to service calls and when performing road maintenance and repairs.
2. **Equity** – The Public Works Street Maintenance Division maintains and repairs City roadways. Replacing the older equipment with safer and reliable equipment will ensure equitable services for the community.
3. **Fiscal Responsibility** – Equipment that has reached the end of their useful life cycle are more costly to operate and maintain. The General Services Fleet Management Division is proposing this purchase in accordance with Purchasing Resolution 23914 to ensure the best price, terms and conditions are negotiated.
4. **Innovation** – This purchase of new replacement heavy-duty equipment will optimize the operational efficiency of the Public Works Street Maintenance Division by having equipment that is ready to use, safe, and reliable.
5. **Sustainability & Resiliency** – This purchase will result in replacement equipment for Public Works Street Maintenance Division which meets all SCAQMD requirements.

**FISCAL IMPACT:**

The total fiscal impact of the action is \$2,372,958.29. Funds in the amount of \$2,189,173.86 are budgeted and available in FY 2023/24 in the Measure Z Fund, Public Works Street Maintenance, Automotive Equipment Account No. 8004301-462100 and \$183,784.43 in General Fund, Public Works Street Construction Materials Account No. 4110100-424121.

Prepared by:	Carl Carey, General Services Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/ Assistant Chief Financial Officer
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer
Approved as to form:	Phaedra A. Norton, City Attorney

**Attachments:**

1. Presentation
2. Sourcewell Quotes from PB Loader Corporation
3. Sourcewell Contract #080521-PBL
4. Sourcewell Quote from Quinn Company
5. Sourcewell Contract #032119-CAT
6. Sourcewell Quote from Sonsray Machinery
7. Sourcewell Contract #092922-FTS