CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JEREMY GUNDY, DEPUTY DIRECTOR – FIELD SERVICES,
               TRANSPORTATION AND PUBLIC WORKS
SUBJECT: APPROVAL AND ISSUANCE OF A PURCHASE ORDER FOR
               THE PURCHASE OF ONE (1) CATERPILLAR 306 COMPACT
               EXCAVATOR

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works and Finance Departments that the Council, by resolution, approve the issuance of a Purchase Order for the purchase of one (1) Caterpillar 306 Compact Excavator in the amount of $143,162.09, utilizing the pricing from the Sourcewell Cooperative Agreement Number 011723-CAT to Peterson Tractor of Santa Rosa, California.

EXECUTIVE SUMMARY

The Purchasing Division of the Finance Department has received Purchase Requisition Number R167572 from the Transportation and Public Works (TPW) Department for the purchase of one (1) Caterpillar 306 Compact Excavator vehicle utilizing the pricing from the Sourcewell Cooperative Agreement Number 011723-CAT.

BACKGROUND

Under the City's guidelines for fleet asset replacement, the TPW Fleet Maintenance Division selects an asset for replacement when it has reached the end of its cost-effective life cycle. These assets have met the replacement criteria using a 15-point replacement program, an industry standard for predicting when best to sell an asset. Repair costs, age, and utilization are considered in the point calculation performed by our Faster Fleet software system.

The purchase of this equipment will replace City Asset No. 27401 used in Santa Rosa Water.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

The Sourcewell Cooperative Contract Number 011723-CAT is a contract between Sourcewell and Caterpillar, Inc. and the price schedule provides a 20% discount off of the MSRP list price. Peterson Tractor is the nearest Caterpillar Equipment Dealer authorized to execute this Sourcewell Contract purchase. Peterson Tractor has agreed to City Purchase Order Standard Terms and Conditions.

Santa Rosa City Code Section 3-08.160 allows for cooperative purchases when advantageous to the City. Based on the pricing the City obtains under the Sourcewell solicitations and the specialized nature of the equipment for purchase, TPW and Purchasing staff consider it advantageous to the City to use the cooperative purchase.

Upon approval by Council, a Purchase Order will be issued for the equipment in the amount identified above. The Purchase Order will reference the City Purchase Order Terms and Conditions, Sourcewell Contract, and the quote provided by Peterson Tractor, all subject to the City's Purchase Order Terms and Conditions. The total cost includes delivery of the goods.

FISCAL IMPACT

Funds for this operational expense have been allocated in the FY 2024-25 budget under the Transportation and Public Works Department - E & R Replacement - Key 300106-5584. Approval of this action does not have a direct fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

Pursuant to CEQA Guidelines Section 15378, the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the proposed action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A – Sourcewell Contract-Peterson Tractor Quote

PRESENTER

Zac Brand, Fleet Maintenance Superintendent