



Office of the City Manager

CONSENT CALENDAR
February 23, 2021

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 (1) John Deere 644L Hybrid Wheel Loader

RECOMMENDATION

Adopt a Resolution satisfying the requirements of City Charter Article XI Section 67.2 allowing the City to participate in Sourcewell Contract No.032119-JDC and authorizing the City Manager to execute a purchase order for one (1) John Deere 644L Hybrid Wheel Loader with Pape Machinery, Inc. in an amount not to exceed \$468,700.

FISCAL IMPACTS OF RECOMMENDATION

The purchase of one (1) John Deere 644L Hybrid Wheel Loader will not exceed \$468,700 and includes CA tire fees, extended warranty and sales tax. Funding is available in the FY 2021 equipment replacement fund (671-54-626-723-0000-000-473-664120).

CURRENT SITUATION AND ITS EFFECTS

This purchase will replace the existing wheel loader (Unit No. 6505) that has exceeded its useful life and is due for replacement. Berkeley provides its own refuse, recycling and food/green materials collection services for both residential and commercial community members. The City also operates a Solid Waste & Recycling Transfer Station to accept these same materials and third party delivered materials. The Wheel Loader is the primary equipment required to transfer these off-loaded materials from the Transfer Station's tipping floor into long haul tractor/trailer trucks (up to 20-ton capacity trailers) that transport refuse to the landfill; materials to recycling facilities for secondary sort; and green/food waste to composting locations.

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

BACKGROUND

Throughout the year, the Department of Public Works purchases vehicles and equipment for the City operating departments that are paid through the Equipment Replacement fund, which funds replacements as equipment reaches the end of its useful life. If the purchase request exceeds \$25,000 the Department of Finance,

General Services Division solicits or “piggybacks” off competitively bid contracts to ensure the City’s departments receive the best pricing.

The City of Berkeley has been a no-cost member and participant of Sourcewell¹ (formerly National Joint Powers Alliance) (NJPA), a municipal contracting agency operating under the legislative authority of Minnesota Statue 123A.21. The original statue was revised in 1995 to allow government clients to better meet their specific needs through participation in 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 no-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 days and fifteen proposals were submitted and received. Upon proposal review the Sourcewell proposal evaluation committee selected John Deere Company 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 upon the percentage of the sale, and the 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.

ENVIRONMENTAL SUSTAINABILITY

The new Wheel Loader utilizes a Hybrid Drive Motor in combination with an engine powered by renewable diesel fuel. The combined systems will reduce fuel consumption by an estimated 25% and reduce greenhouse gas emission by as much as 50-80%. Usage of renewable diesel complies with the City’s Fossil Free recommendations. Additionally, the vehicle is equipped with a Tier 4 Final engine application that meets the strictest EPA emissions requirement for off-highway diesel engines.

Public Works staff have contacted heavy equipment manufacturing companies’ representatives from Case, Peterson Caterpillar, Doosan (Bobcat), Komatsu, Volvo, and Hitachi regarding the availability of fully electric versions of this equipment. These representatives confirmed there are no fully electric versions available for 20 ton Wheel Loader at this time.

¹ <https://www.sourcewell-mn.gov/>

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John Deere 644L Hybrid Wheel Loader

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In addition, the 2020 Municipal Fleet Electrification Assessment² recognizes that cost-effective electric heavy duty vehicles in these classes are not 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 and excessive downtime in order to keep it operating in a safe and serviceable manner.

CONTACT PERSON

Greg Ellington, Superintendent, Public Works Maintenance, (510) 981-6469

Attachment:

1: Resolution

² https://www.cityofberkeley.info/Clerk/City_Council/2020/07_Jul/Documents/2020-07-28_Item_26_Referral_Response_An_Action_Plan.aspx

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

PURCHASE ORDER: PAPE MACHINERY, INC. FOR ONE (1) JOHN DEERE 644L
HYBRID WHEEL LOADER

WHEREAS, one (1) John Deere 644L Hybrid Wheel Loader is needed by the Public Works Department Zero Waste Division to transfer City curbside collected and third party delivered materials from the Transfer Station tipping floor into long haul tractor/trailers that transport these materials to landfills, recycling materials to secondary sort facilities, and compost locations; and

WHEREAS, equipment Unit Number 6505 is being replaced and 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 work; 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 process; and

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

WHEREAS, the authorized John Deere Construction & Forestry Company dealer in the State of California, including the City of Berkeley is Pape Machinery, Inc. who is trained to sell, lease and rent John Deere Company products and will provide parts, service and warranty repairs; and

WHEREAS, funds in the amount of \$468,700 are available in the FY 2021 Equipment Replacement Fund (671).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a purchase order for one (1) John Deere 644L Hybrid Wheel Loader with Pape Machinery, Inc. in amount not to exceed \$468,700 from the Equipment Replacement Fund (671).