

Agenda Report

April 24, 2017

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: AUTHORIZE PURCHASE ORDER WITH QUINN COMPANY FOR PURCHASE OF ONE CATERPILLAR 938M WHEEL LOADER WITH MULTI-PURPOSE 4-IN-1 BUCKET FOR AN AMOUNT NOT TO EXCEED \$245,084

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to enter into a purchase order contract with Quinn Company in an amount not-to-exceed \$245,084 for the purchase of one Caterpillar 938M Wheel Loader with Multi-Purpose 4-in-1 Bucket. Competitive Bidding is not required pursuant to City Charter Section 1002(H) contracts with other governmental entities or their contractors for labor, materials, supplies or services; and
3. Grant the proposed purchase order contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served.

BACKGROUND:

The Department of Public Works, Street Maintenance and Integrated Waste Management (SMIWM) Division is in need of a Caterpillar 938M Wheel Loader with Multi-Purpose 4-in-1 Bucket. This loader will be dedicated to the Integrated Waste Management section of the division, which manages the City's transfer station at the City Yard facility. The primary use of the loader will be for loading and packing palm fronds, street sweeping materials, and street container materials into roll-off trucks in preparation for the transfer of the material to Scholl Canyon Landfill. Over 3,000 tons of this material is brought into City Yard, packed, and transferred in this manner annually. The loader will also be used for collecting large piles of abandoned items from the

streets and alleyways that otherwise would require hand-loading by City staff. Using a loader for this purpose greatly reduces the risk of injury to employees in the field. Additionally, loading items using this equipment is a more efficient and effective way of loading large piles of debris directly into a roll-off truck, as opposed to hand-loading large quantities of material into a rear loader. Quinn Company will deliver the Caterpillar 938M Wheel Loader within 60 days of receipt of purchase order.

The National Joint Powers Alliance (NJPA) is a national municipal contracting agency which establishes and provides national leveraged and competitively solicited purchasing contracts, which can be utilized by member agencies such as the City of Pasadena. In March of 2015, NJPA issued a Request for Proposals (RFP) for heavy construction equipment with related accessories, attachments, and supplies. Nine submissions were received and evaluated by the NJPA selection committee. Submissions were scored on criteria such as pricing, warranty coverage, variety of products offered, and bidders' ability to service the contract nationally. Caterpillar Inc. scored the highest with 838 points out of a possible 1,000, and was awarded a contract through May of 2019. This process undergone by NJPA has resulted in competitive pricing. Quinn Company of Industry, CA, a supplier of Caterpillar Inc., has agreed to extend the contract prices, terms, and conditions of this contract to the City of Pasadena. There are no Caterpillar dealers in the City of Pasadena.

The City of Pasadena has done business with Quinn Company since 2006, including issuance of purchase orders for equipment, parts, supplies, and repairs for a total amount of approximately \$215,000. The Department of Public Works recommends that the City Council authorize the City Manager to issue a purchase order with Quinn Company. Purchasing the requested vehicle from Quinn Company is in the City's best interest as it reduces the amount of time required to take delivery of new equipment, eliminates the need to prepare bid specifications, review proposals, and award a competitive bid. Additionally, staff believes that the City will realize more savings by purchasing this equipment through the NJPA contract than through a competitive bidding process for a single unit.

COUNCIL POLICY CONSIDERATION:

This purchase is consistent with the City Council's goals to increase conservation and sustainability, maintain fiscal responsibility and stability, and ensure public safety. Additionally, this purchase complies with United Nations Urban Environmental Accords Action 14, purchase of advanced emission controls on all public fleets to reduce particulate matter and smog-forming emissions by 50 percent by the year 2012.

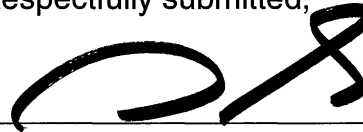
ENVIRONMENTAL IMPACT:

This purchase complies with all South Coast Air Quality Management District rules and regulations for engine emissions and clean air standards in the South Coast Air Basin.

FISCAL IMPACT:

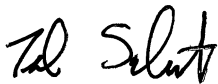
The cost of this action is \$245,084. Funding will be addressed by the utilization of existing budgeted appropriations in the Refuse Collection Fund (account 850500-40622019). It is anticipated that the entire cost will be spent during the current fiscal year. Indirect and support costs such as maintenance and repair are anticipated to be \$185,000 over the 14 year expected life of the vehicle and will be addressed annually by utilization of existing budgeted appropriations in the Department of Public Works operating budget account 861600-40622019.

Respectfully submitted,



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Director of Public Works

Prepared by:



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Approved by:



STEVE MERMELL
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