



# Agenda Report

January 12, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A FIVE-YEAR CONTRACT WITH BRAGG INVESTMENT COMPANY INC DBA COASTLINE EQUIPMENT FOR JOHN DEERE CONSTRUCTION EQUIPMENT, PARTS, SERVICE AND REPAIR IN AN AMOUNT NOT-TO-EXCEED \$360,734**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(C)(2), 15060(C)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;
2. Award contract to lowest and best bid dated July 25, 2025, submitted by Bragg Investment Company Inc dba Coastline Equipment, in response to specifications for John Deere Construction Equipment, Parts, Service and Repair, authorize the City Manager to enter into a five-year contract for an amount not-to-exceed of \$360,734, which includes the base contract amount of \$327,940 and a contingency of \$32,794 to provide for any necessary change orders; and
3. Authorize the City Manager to approve no-cost amendments to the subject contract including necessary change orders.

## **BACKGROUND:**

The Department of Public Works Building Systems and Fleet Management Division (BSFMD) maintains a mixed fleet of nine John Deere construction units, consisting of loaders and backhoes used by both the Pasadena Water and Power Department and the Department of Public Works. These units are essential for daily utility and infrastructure work, including excavating, trenching, material handling, and street repair operations throughout the City. Fleet Management performs routine preventative and

emergency repairs on these units to ensure continuous operational readiness. To meet service and repair demands, BSFMD is seeking a contract with an authorized John Deere vendor to perform service and repairs that cannot be performed in-house, as well as provide Original Equipment Manufacturer (OEM) parts when aftermarket parts are inappropriate for City-owned John Deere construction equipment.

John Deere OEM parts are designed and manufactured to meet the performance requirements specific to John Deere construction equipment, including loaders and backhoes operated by the Public Works and Water and Power Departments. The use of OEM parts reduces the likelihood of equipment incompatibility, unplanned downtime, and component failure that may occur when non-OEM parts are installed. The use of OEM parts helps ensure equipment reliability, safe operation, and long-term asset protection. Certain John Deere construction equipment components including engine control modules, hydraulic systems, and emissions systems require proprietary diagnostic software, specialized tools, and factory-trained technicians to properly service and calibrate. These specialized services can only be performed by authorized John Deere service providers who employ manufacturer-certified technicians and have access to proprietary John Deere diagnostic systems and technical documentation not available to City staff or independent repair shops. Performing these repairs outside of an authorized network could result in improper repairs, extended equipment downtime, and potential voiding of manufacturer warranties.

As with all City fleet operations, staff utilizes in-house staff and aftermarket parts when cost saving can be achieved without compromising equipment quality, safety, or manufacturer warranty requirements. For the City's construction equipment, staff will continue to use a combination of specialized John Deere OEM parts and aftermarket parts sourced from local vendors when appropriate. Most of the service and repair activities are performed in-house by fleet maintenance personnel using both OEM and aftermarket parts.

A Notice Inviting Bids for John Deere Construction Equipment, Parts, Service and Repair was posted on OpenGov Procurement on June 26, 2025. The posting generated notices to all vendors who had previously registered with the City for this commodity class. A total of 13 vendors downloaded the specifications. A total of 2 bids were received by the bid opening date, none of which were local.

Following advertising, bids were electronically received on July 25, 2025, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Bragg Investment Company dba Coastline Equipment, Long Beach, CA	\$ 65,588
2. RDO Equipment Co., Riverside, CA	\$ 69,931

It is recommended that Bragg Investment Company dba Coastline Equipment be awarded the contract as they are the lowest, responsive and responsible bidder. The vendor is active and in good standing with the Secretary of State. Staff recommends this vendor be awarded a five-year contract term in an amount not-to-exceed \$344,337. The proposed contract with Bragg Investment Company dba Coastline Equipment fully complies with the Pasadena Municipal Code Chapter 4.08 and Chapter 4.11 for Competitive Bidding and Living Wage Ordinances. The City has previously done business with this vendor, paying invoices totaling over \$1.108 million since Fiscal Year 2016.

The contract will be set up as follows:

Base Bid	\$ 327,940
<u>Contingency</u>	\$ 32,794
Contract Not-to-Exceed Amount	\$ 360,734

A contingency of ten percent is allocated to this contract to allow for unforeseen parts and service needs during the life of the contract.

#### **COUNCIL POLICY CONSIDERATION:**

This action supports the City Council's strategic planning goals to improve, maintain, and enhance public facilities and infrastructure and maintain fiscal responsibility and stability.

#### **ENVIRONMENTAL IMPACT:**

The action proposed herein is not subject to the California Environmental Quality Act ("CEQA") in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. The purchase contract is a continuing administrative and maintenance activity (i.e., purchasing of supplies). This action would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

The total cost of the recommended action is estimated to be \$360,734 over five years. The Department will utilize existing budgeted appropriations in the Fleet Maintenance Fund (Fund 511) to support the first year of contract costs. Future contract costs will be budgeted as part of the Department's annual operating budget. There is no impact to the General Fund.

The following table represents the contract summary.

Base Bid	\$ 327,940
Contingency	\$ 32,794
<b>Total Fiscal Impact</b>	<b>\$ 360,734</b>

Respectfully submitted,



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Prepared by:



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Approved by:



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