



Office of the City Manager

**24**CONSENT CALENDAR

June 28, 2022

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: PB Loader Corporation for Two Chipper Trucks

RECOMMENDATION

Adopt a Resolution satisfying requirements of City Charter Article XI Section 67.2 allowing the City to participate in Sourcewell (formerly NJPA) Contract No. 080521-PBL bid procedures and authorizing the City Manager to execute a purchase order for two chipper trucks with PB Loader Corporation in an amount not to exceed \$400,000.

FISCAL IMPACTS OF RECOMMENDATION

The purchase of two (2) chipper trucks will not exceed \$400,000 and includes DMV fees, CA tire fees, delivery to City of Berkeley, shipping and sales tax. It is anticipated that the final price will be \$358,929.14 currently quoted, but there may be additional unanticipated price increases. Funding for this purchase is available in the FY 2022 budget in the Equipment Replacement Fund (671-54-626-723-0000-000-473-664120).

CURRENT SITUATION AND ITS EFFECTS

On November 30, 2021, Berkeley City Council approved the purchase of two chipper trucks, Resolution No. 70,132-N.S. for a total not to exceed \$305,900 from PB Loader. PB Loader utilizes the base cab and chassis of the F-650 and builds out the body of the chipper truck. Ford, the vendor that PB Loader was planning on ordering from, stopped taking model year 2022 orders to re-evaluate their pricing and delivery dates, thus putting the Ford F-650 on hold so Public Works was unable to execute the purchase order as originally planned. Ford released their 2023 models in April enabling PB Loaders to be purchased from Ford and allowing the complete build-out of the chipper trucks. However, there are now substantial increases on all of the required components to complete the vehicle resulting in the overall price increase.

This purchase will replace two (2) F-650 Class 8 chipper trucks, equipment numbers 3274 and 3275. The chipper trucks were originally purchased in 2001 with an anticipated useful life of 15 years. This new purchase eliminates the need for ongoing costly maintenance due to the age and condition of the trucks. The Parks, Recreation & Waterfront Department requires new vehicles to perform tree maintenance in parks, along public right of ways, city property, and in response to emergencies. These vehicles use a commercial grade woodchipper unit that recovers processed debris.

Approval of this item will further the Strategic Plan goal of providing state-of-the-art, well-maintained infrastructure, amenities, facilities.

### BACKGROUND

The Department of Public Works purchases vehicles and equipment for the City's departments throughout the year. These purchases are paid through the Equipment Replacement Fund by departments that contribute annually to this fund so that vehicles can be replaced at the end of their 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 receives the best pricing.

The City of Berkeley has been a no-cost member and participant of Sourcewell<sup>1</sup> (formerly National Joint Powers Alliance), a municipal contracting agency operating under the legislative authority of Minnesota Statute 123A.21. The original statute was revised in 1995 to allow government clients to better meet their specific needs through participation in a 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 services all educational, government, and non-profit agencies nationwide, and offer cooperative contracted products, equipment, and service opportunities to government entities throughout the U.S.

All Sourcewell contracts have been competitively solicited nationwide. On April 6, 2017, Sourcewell released Request for Proposal No. 052417 for Roadway Maintenance Equipment with related accessories, attachments, materials, and supplies. The solicitation was released for approximately forty-nine days, and we received thirty-three proposals. Upon review, an evaluation committee selected PB Loader Corporation as the best, most responsive proposer to meet the specifications and awarded Contract No. 052417-PBL.

Contract No. 052417-PBL had an expiration date of October 2, 2021. On June 17, 2021, Sourcewell released a new Request for Proposal No. 080521 for Roadway Maintenance Equipment. The solicitation was released for fifty days, and on August 5, 2021, we received thirty proposals. Upon review, the evaluation committee selected PB Loader Corporation as the best response proposer to meet the specifications awarding Contract No. 080521-PBL.

For all contracts, Sourcewell charges an administrative fee based upon the percentage of the sale, and the fee is paid by the Contractor. For this purchase, the fee will be paid by contract holder PB Loader Corporation and will not be passed on to the City of Berkeley.

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<sup>1</sup> <https://www.sourcewell-mn.gov>

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Consistent with the City Council's recently accepted *2020 Municipal Fleet Electrification Assessment*, Public Works contacted industry representatives from Motive Motors, Lightning eMotors, and Ford regarding the availability of a viable electric version of this equipment. These representatives informed staff that electric vehicle equivalents of these vehicles are not available.

The new chipper trucks will be powered by 100% renewable diesel in place of gasoline, reducing greenhouse gas emissions by as much as 50-80%. Usage of renewable diesel also complies with the City's Fossil Free recommendations. Additionally, this purchase aligns with the *2020 Municipal Fleet Electrification Assessment* in recognizing the lack of commercially available and viable electric medium and heavy-duty vehicles.

In 2022, the fleet includes 61 hybrid vehicles. Public Works is on track to complete the conversion of sedans and SUVs to EVs by 2028, two years ahead of the assessment's schedule. In addition, the city fleet has reduced its consumption of traditional gasoline by 37% from a high in 2001.

### RATIONALE FOR RECOMMENDATION

Equipment must be replaced on a reasonable schedule to ensure the Parks, Recreation & Waterfront's Forestry Division can efficiently, safely, and effectively carry out its duties.

### ALTERNATIVE ACTIONS CONSIDERED

None. Keeping equipment longer than its useful life results in higher maintenance costs, excessive downtimes, and higher greenhouse gas emissions.

### CONTACT PERSON

Greg Ellington, Superintendent, Public Works, (510) 981-6469  
Joy Brown, Operations Manager, Public Works, (510) 981-6629  
Andrew Brozyna, Deputy Director, Public Works, (510) 981-6396

Attachment:  
1: Resolution

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

INCREASE PURCHASE ORDER: PB LOADER CORPORATION FOR TWO CHIPPER TRUCKS

WHEREAS, two (2) Chipper Trucks are needed by the Forestry Division to perform tree maintenance services in parks, along public right of ways, ancillary city property, and emergency response; and

WHEREAS, equipment unit numbers 3274 and 3275 being replaced are 20 years old and have reached the end of their useful life; and

WHEREAS, equipment must be replaced on a reasonable schedule and 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, all Sourcewell contacts have been competitively solicited nationwide and Sourcewell Contract No. 080521-PBL satisfies the procurement requirement of the City of Berkeley; and

WHEREAS, funds in the amount of \$400,000 are available in the FY 2022 Equipment Replacement Fund (671-54-626-723-0000-000-473-664120).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City of Berkeley City Manager is authorized to participate in Sourcewell (formerly NJPA) Contract No. 080521-PBL bid procedures and execute a purchase order for two (2) Chipper Trucks with PB Loader Corporation in an amount not to exceed \$400,000.