



Office of the City Manager

CONSENT CALENDAR  
March 10, 2020

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Phillip, L. Harrington, Director, Department of Public Works

Subject: Purchase Order: Pape Machinery, Inc. for One (1) John Deere, Co. 644L 20 Ton Hybrid Wheel Loader

RECOMMENDATION

Adopt a Resolution satisfying requirements of City Charter Article XI Section 67.2 allowing the City to participate in Sourcewell (previously NJPA) contract #032515-JDC and authorizing the City Manager to execute a purchase order for one 2019 John Deere Co. 644L 20 Ton Hybrid Wheel Loader with Pape Machinery, Inc. in an amount not to exceed \$457,000.

FISCAL IMPACTS OF RECOMMENDATION

The purchase of one (1) 2019 John Deere Co. 644L 20 Ton Hybrid Wheel Loader will not exceed \$457,000 and includes CA tire fees, extended warranty and sales tax. Funding is available in the FY 2021 Zero Waste Fund 601.

CURRENT SITUATION AND ITS EFFECTS

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 for the operation of the Transfer Station. The wheel loader moves materials from the Transfer Station's tipping floor into long haul tractor/trailers (up to 20 ton capacity trailers) that transport: 1) refuse to a landfill, 2) materials to recycling facilities for secondary sort and 3) green/food waste to composting locations.

This new purchase will replace the existing 2010 John Deere Wheel Loader equipment number 6503 that has exceeded its useful life. The Operating Cost to asset value ratio information is provided below. Operating cost averages 239% of value.

Total Operating Cost/ Last 3 Yrs.	Average Annual Cost / Last 3 Yrs.	Value of Asset	Maintenance Cost to Asset Value Ratio
\$287,326.00	\$95,775.33	\$40,000.00	239%

This purchase will support 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 equipment for City Departments paid through the Equipment Replacement Fund. If a purchase request exceeds \$25,000, the Department of Finance General Services Division solicits or "piggybacks" off competitively bid contracts to ensure City Departments receive the best pricing. Each City Department pays its proportionate share into the Equipment Replacement Fund, and those funds are utilized to replace equipment at the end of its useful life.

The City of Berkeley is a member and participant of Sourcewell (previously NJPA), a purchasing cooperative that clusters over 50,000 government, education, and nonprofit organizations and performs over \$3 billion in annual purchases through cooperative contracts. Sourcewell provides "Government-to-Government" nationwide procurement services that strive to make the public procurement process more lean and efficient by establishing competitively priced contracts for goods and services. Products offered through Sourcewell have been subjected to a public competitive bid process, and then made available to local governments and state agencies through Sourcewell consortium.

All Sourcewell contracts have been competitively solicited nationwide. On January 23, 2015, Sourcewell released RFP #032515 for Heavy Construction Equipment with Related Accessories, Attachments and Supplies. The solicitation was published for approximately three months and nine proposals were received on March 26, 2015. Upon their review, Sourcewell staff selected John Deere Co. as the most responsible and responsive proposer for wheel loaders, dump trucks, escalators, backhoes, loaders, brooms, dozers and motor graders. Sourcewell Proposal Evaluation Committee singled out the main advantages of John Deere's offer that specifically offers a large scale manufacturing and service force in addition to a long-term experience in the industry.

### ENVIRONMENTAL SUSTAINABILITY

The new Wheel Loader with bucket will utilize 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 emissions by as much as 50-80%.

Equipment Maintenance staff conducted research to ascertain whether electric versions of a 20 Ton Bucket Loader were available. Staff queried top manufacturer representatives and the findings are presented in the following table:

Manufacturer	Response
Sonsray (Case) Dealer	No Electric (EV) Version at this time. CNG Alternative in concept stage.
Peterson Caterpillar	No EV version available at this time.
Doosan/Bobcat Dealer	No EV Version available at this time.
Komatsu Dealership	No EV Version available at this time.
Volvo	No EV Version available at this time.
Hitachi	No EV available at present time. Hybrid Loader available but purchase would not assist with fleet standardization;

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

Attachments:  
Resolution

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

PURCHASE ORDER: PAPE MACHINERY, INC. FOR ONE 644L 20 TON HYBRID  
WHEEL LOADER

WHEREAS, one (1) John Deere Co. 644L 20 Ton Hybrid Wheel Loader is needed by the Public Works Department Zero Waste Division to transfer City 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 6503 being replaced is 10 years old 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 good without undergoing a competitive bid process if the City uses pricing obtained by another entity through competitive process; and

WHEREAS, Sourcewell Contract #032515-JDC satisfies the procurement requirement of the City of Berkeley; and

WHEREAS, Sourcewell awarded contract #032515-JDC to John Deere Co. as the most responsible and responsive proposer for wheel loaders, dump trucks, escalators, backhoes, loaders, brooms, dozers and motor graders; and

WHEREAS, funds in the amount of \$457,000 are available in the FY 2021 Zero Waste Fund 601.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City of Berkeley City Manager is authorized to execute a purchase order for one (1) 2019 John Deere Co. 644L 20 Ton Hybrid Wheel Loader with Pape Machinery, Inc. in an amount not to exceed \$457,000.