



Legislation Text

File #: 2022-1036, Version: 1

Report to Mayor and City Council

Tuesday, January 03, 2023

Consent

SUBJECT:

CONSIDER APPROVAL OF THE PURCHASE OF A CATERPILLAR 920 WHEEL LOADER FROM QUINN CAT FOR THE PUBLIC WORKS RIGHT OF WAY MAINTENANCE DIVISION (CITY COUNCIL)

I. SUMMARY

Public Works is requesting City Council approval for the purchase of a Caterpillar 920 Wheel Loader through a purchase order to Quinn CAT, an authorized Caterpillar, Inc. dealer based on OMNIA Partners Contract #212816-01 dated 10/3/2022 (Exhibit No. 2) for a price not to exceed \$206,069.86 plus a 5% contingency.

This purchase will replace the existing Wheel Loader which will no longer comply with California's diesel emissions regulations going into effect in 2023. The existing equipment being replaced will be auctioned and will help replenish the Vehicles/Rolling Inventory Fund 638.

The total purchase amount, including the 5% contingency, will be \$216,373.35. The 5% contingency is recommended by staff in the event of a re-quote (provided the re-quote is in compliance with the cooperative purchasing arrangement and within the scope of this Council approval) or in the event of any necessary minor modifications to the equipment accessories/packages specified in the quotation.

The Purchasing Manager has determined that the proposed purchase qualifies for the cooperative purchasing bidding exemption under CMC 2611(g) (see Exhibit No. 2).

II. RECOMMENDATION

1. WAIVE the formal bidding procedures as defined by the Carson Municipal Code, Section 2610; and

2. AUTHORIZE the Purchasing Manager, pursuant to Carson Municipal Code Section 2611 (g), to utilize Cooperative Purchasing to procure one Caterpillar 920 Wheel Loader (including standard and optional equipment as listed in the proposed quotation), through a purchase order to Quinn CAT based on OMNIA Partners Contract #212816-01 dated 10/3/2022 for a price not to exceed \$206,069.86 plus a 5% contingency equal to \$10,303.49 (for a total of \$216,373.35) (Exhibit No. 1).

III. ALTERNATIVES

1. DO NOT WAIVE the formal bidding process.
2. DO NOT WAIVE the formal contracting process.
3. DO NOT AUTHORIZE the Purchasing Manager to utilize Cooperative Purchasing, as allowed by Section 2611 (g), and issue a purchase order.
4. TAKE another action the City Council deems appropriate, and consistent with the requirements of the law.

IV. BACKGROUND

Section 2611 (g) of the City's Municipal Code ("CMC") allows City, through its Purchasing Manager, to dispense with competitive bidding processes to purchase materials, supplies, equipment, or services by utilizing a cooperative purchasing program engaged in by any local, county, State, or Federal public entity or entities, even if the contracts and implementing agreements entered into by the participating entity or association under those cooperative purchasing programs were not entered into under a process that resulted in the contract being awarded to the lowest responsible and responsive bidder under CMC 2610(i); provided, that the selected bidder was selected in compliance with the competitive bidding or proposal process requirements of any participating entity or association within three years of City's approval of the City contract entered into with the selected bidder via cooperative purchasing. The City Council has decided that the benefits to the City of utilizing cooperative purchasing outweigh any incremental higher price that may be paid by the City in certain instances as a result of not soliciting directly utilizing the lowest responsible and responsive bidder standard under CMC 2610(i).

OMNIA Partners is a cooperative purchasing organization established to allow participating municipal agencies to reduce the cost of procurement by leveraging the benefits of contract purchasing. Through solicitations, OMNIA Partners contracts bring considerable value and efficiencies to members through nationally leveraged contracted suppliers with access to the highest quality products and brands. OMNIA Partners' cooperative contracts are competitively solicited and publicly awarded by a government entity serving as the lead agency. Awards are made utilizing this best practice ensuring maximum value with complete transparency of the process. The City of Carson is a participant in OMNIA Partners' cooperative purchasing program. Staff seeks to utilize OMNIA Partners' cooperative purchasing contract no. 212816-01 to satisfy the requirements of the City's

purchasing ordinance (per CMC 2611(g)) for the proposed Caterpillar Wheel Loader purchase.

Unit #503, a 1986 Caterpillar 916 Wheel Loader with 6,800 hours on the hour meter, is due for replacement as it no longer meets California's diesel emission regulations per Title 13 California Code of Regulations (CCR) section 2025, 2401, 2411, 2421, 2432, and 2449, due to go into effect in 2023, and therefore must be retired from service in 2023 for the City to be in compliance. With the proposed purchase of the Caterpillar 920 Wheel Loader, the City will comply with 2023 emission regulations, and the new unit will have an expected service life of 25 years. An alternative fuel all-electric Wheel Loader with the necessary capabilities is not currently available for purchase.

Finally, it should be noted that Section 2605(b)(ii) of the CMC requires City to enter into a contract for purchases of any personal property, including materials, supplies and equipment, of \$25,000 or more over a fiscal year, unless the Purchasing Manager waives this requirement. The Purchasing Manager has either waived or plans to waive such contract requirement for the equipment purchase, so the City's Purchase Order form would be used in lieu of a more formal contract.

V. FISCAL IMPACT

There is no impact to the General Fund. The cost of the purchase is \$206,069.86 plus a 5% contingency of \$10,303.49 as discussed above, for a total of \$216,373.35 and the amount has been appropriated in account 101-80-840-281-6500.

VI. EXHIBITS

1. City Carson 920 Loader and MP bkt Omnia 212816-01Quote
2. OMNIA Partners Contract #212816-01

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