



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 23-1183

Meeting Date: 5/2/2023

TITLE:

AUTHORIZE THE USE OF SOURCEWELL'S NATIONAL COOPERATIVE AGREEMENT 032119 WITH QUINN COMPANY FOR THE PURCHASE OF ONE (1) NEW CATERPILLAR INC. MODEL: 308 EXCAVATOR AND ONE (1) CATERPILLAR INC. MODEL: 262D3 SKID STEER LOADER

DEPARTMENT: PUBLIC WORKS/MAINTENANCE SERVICES DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: ROBERT RYAN, MAINTENANCE SERVICES MANAGER, (714) 327-7499

RECOMMENDATION:

Staff recommends the City Council authorize the use of Sourcewell's Cooperative Agreement No. 032119 with Caterpillar Inc. for the purchase of one (1) Caterpillar Inc. Model: 308 Excavator; and one (1) Caterpillar Inc. Model: 262D3 Skid Steer Loader for \$294,235.37 from Quinn Company.

BACKGROUND:

Consistent with past practices, new and/or replacement vehicle and equipment requests are evaluated during the annual budget process along with Equipment Maintenance staff recommendations. Staff identified the subject equipment, an Excavator and a Skid Steer Loader, for replacement as part of Fiscal Year 2022-23 Budget.

The Maintenance Services Division is responsible for the care, maintenance, repair and alteration of the City's parks and parkways, trees, traffic signs and markings, street sweeping, storm water systems, and roadways. The division depends on a variety of heavy equipment including, but not limited to, four tractors that perform a variety of work associated with that maintenance.

The four City-owned tractors currently supporting the Maintenance Service Division are all older models that break down regularly and require constant maintenance. The acquisition of parts and support services for these pieces of equipment is challenging. Some parts have been discontinued and are obsolete.

ANALYSIS:

The purchase of the subject two (2) pieces of equipment will upgrade the City's fleet of operable equipment and will facilitate the maintenance work to City infrastructure, thereby improving the City's ability to serve the community and its stakeholders. The procurement of the excavator and skid steer loader replaces four old City-owned tractors, decreasing the City's fleet by two pieces of equipment. This will improve efficiencies and decrease maintenance costs.

Purchasing the equipment through Sourcewell meets all requirements outlined in the City of Costa Mesa's Purchasing Policy and all requirements set forth by the State of California in regard to regional cooperative purchasing agreements. Sourcewell established an approved vendor list following a nationwide competitive bid process. This process confirms that the City still receives the lowest available pricing and meets the competitive bid process requirements. The City has utilized Sourcewell successfully for several previous related purchases.

The Quinn Company, an authorized Sourcewell dealer, provided quotes and specifications for the subject equipment and are included in Attachment 1. The quotes total an amount of \$294,235.37, including applicable taxes and delivery.

ALTERNATIVES:

The City Council could choose not to authorize the use of the cooperative agreement with Caterpillar Inc. This will require staff to initiate a formal procurement process, which will take significantly more time to complete. In addition, a formal procurement may not result in lower prices than the proposed Sourcewell pricing.

FISCAL REVIEW:

The purchase of these two tractors were approved in the Fiscal Year 2022/2023 budget and funded through the Vehicle Replacement Fund.

LEGAL REVIEW:

The City Attorney's Office has reviewed this report and approves it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goal:

- Strengthen the Public's Safety and Improve the Quality of Life

CONCLUSION:

Staff recommends the City Council authorize the use of Sourcewell's Cooperative Agreement No. 032119 with Caterpillar Inc. for the purchase of one (1) Caterpillar Inc. Model: 308 Excavator; and one (1) Caterpillar Inc. Model: 262D3 Skid Steer Loader for \$294,235.37 from Quinn Company.