



Office of the City Manager

CONSENT CALENDAR
April 30, 2013

To: Honorable Mayor and Members of the City Council
From:  Christine Daniel, City Manager
Submitted by: Andrew Clough, Director, Public Works
Subject: Purchase Order: Pape Machinery for One Waste Handler Wheel Loader

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a purchase order for one waste handler wheel loader with Pape Machinery, in an amount not to exceed \$208,000.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available in the FY 2013 budget Equipment Replacement Fund (860-5703-410-7042). The purchase of the waste handler wheel loader will not exceed \$208,000 and includes California tire fees, extended warranty, shipping fees and sales tax.

CURRENT SITUATION AND ITS EFFECTS

This purchase will replace an existing wheel loader at the Transfer Station. It is a principal piece of equipment for loading the long haul trucks with refuse, construction and demolition materials, and plant debris from the tipping floor for transportation to landfill and material disposal sites. This new wheel loader will have a fuel efficient Tier 4, low emission diesel engine, and will replace wheel loader #6501, which will go to auction through First Capital Auction Company.

Public Works purchases equipment through the Equipment Replacement Fund. Prior to each purchase, Finance – General Services performs market research to ensure the City is receiving the best available pricing; and for purchases over \$25,000 they solicit competitive bids, and utilize or piggyback off competitively bid awards of other government agencies or buying groups, to ensure best pricing. In this case Pape Machinery was the successful bidder on HGACBuy Invitation for Bid/Contract No. EM06-11a and in an effort to streamline the replacement process for this wheel loader, is used to piggyback the purchase.

BACKGROUND

The City of Berkeley has been a member and participant with HGACBuy, which has offered inter-local cooperative purchasing since 2008. They provide a “Government-to-

Government” nationwide procurement service that strives to make the government procurement process more efficient by establishing competitively priced contracts for goods and services. Products offered through HGACBuy have been subjected to a public competitive bid process, and then made available to local governments, states and state agencies through HGACBuy.

HGACBuy charges a 1.5% order processing charge. This fee is paid by the contractor (in this case Pape Machinery) directly to HGACBuy and doesn't affect the purchase price to the City of Berkeley.

RATIONALE FOR RECOMMENDATION

Equipment must be replaced on a reasonable schedule to ensure that Public Works staff can efficiently and effectively carry out their duties. If the current wheel loader continues to be used, it will require costly mechanical repairs and excessive downtime, as it has reached the end of its useful life.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Bill Ivie, Equipment Superintendent, Public Works, 981-6469

Attachments:

1: Resolution

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

PURCHASE ORDER: PAPE MACHINERY FOR ONE WASTE HANDLER WHEEL
LOADER

WHEREAS, one waste handler wheel loader is needed by the City of Berkeley to replace existing equipment which is used by the Public Works Zero Waste Division; and

WHEREAS, Pape Machinery offered the lowest price based on the HGACBuy competitive Bid/Contract EM06-11a; and

WHEREAS, funds in the amount of \$208,000 are available in the FY 2013 budget Equipment Replacement Fund (860-5703-410-7042).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that pursuant to HGACBuy bid procedures and specifications, the City Manager is hereby authorized under Charter section 67.2 to purchase one waste handler wheel loader from HGACBuy's contractor Pape Machinery in an amount not to exceed \$208,000.

