



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 5

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Public Works Department
MEETING DATE: May 04, 2020
SUBJECT:
Public Works Backhoe Purchase – Contract

RECOMMENDATION:

Adopt a Resolution to approve an alternative purchasing to approve a contract with Sonsray Machinery for the purchase of one CASE 580SN backhoe in the amount of \$137,259.09; and authorize the Public Works Director to execute the contract in substantially the form presented.

BACKGROUND:

The Public Works Department utilizes two backhoes to perform a variety of projects and general maintenance. One of the backhoes has reached end of its service life. That backhoe sustained a critical failure that could not be reasonably repaired and a replacement backhoe is needed.

Products from several manufacturers were evaluated as a replacement including CASE, CAT, Kabota, and John Deere. Staff determined CASE is the most appropriate based on experience with this equipment and its capabilities. The current and previous backhoes are manufactured by CASE. Staff determined the CASE 580SN, with options as specified in the attached agreement, meets the needs of the department.

For specialized equipment such as backhoes, there are limited procurement sources available to government agencies, and those typically are limited to contracts with either Sourcwell (formerly NJPA) or State of California General Services Division (GSD). The State GSD does not maintain a contract for purchasing CASE backhoes.

Staff identified two CASE dealers in Northern California and, instead of conducting a separate public bidding process, requested pricing from these two CASE dealers: Sonsray Machinery via its Sourcwell contract and Sequoia Equipment of Fresno. Sourcwell (formerly NJPA) conducted its own competitive bid processes to select a vehicle vendor for use by member agencies.

Sonsray Machinery of San Leandro submitted a quote of \$137,259.09 via their Sourcwell contract. Sequoia Equipment of Fresno submitted a quote of \$142,858.47. Staff recommends purchase of the CASE 580SN from Sonsray Machinery and, in accordance with Municipal Code Section 3.60.070(h)(3), requests that City Council approve the alternative purchasing procedure of using Sourcwell pricing and obtaining an additional quote as being in the best interest of the City, because Sourcwell conducted a competitive bid process and staff is assured that the Sourcwell price is the lowest price available.

BUDGET IMPACT:

Sufficient funding is available in the Vehicle Replacement Fund (Fund 81).

ENVIRONMENTAL DETERMINATION:

In accordance with CEQA guidelines section 15378 (b)(5), this equipment purchase is an administrative activity that will not impact the environment and is therefore not a project subject to CEQA.

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 – Proposed Resolution

Att 2 – Contract

STAFF CONTACT

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