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**Title:** Approve the award of a Cooperative Purchase Agreement to Papé Machinery of Fowler, California, for the purchase of one John Deere 772G motor grader in the amount of \$446,134 for the Department of Public Utilities, Wastewater Management Division

**Sponsors:** General Services Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 24-612 Cooperative Purchase Agreement.pdf, 2. 24-612 Original RFP.pdf, 3. 24-612 John Deere Contract #011723-JDC.pdf, 4. 24-612 Proof of Publication.pdf, 5. 24-612 Proposal Evaluation.pdf, 6. 24-612 Comment and Review.pdf

Date	Ver.	Action By	Action	Result
5/23/2024	1	City Council	ADOPTED	Pass

**REPORT TO THE CITY COUNCIL**

**FROM:** BRIAN BARR, Director  
General Services Department

**BY:** MIGUEL RAMIREZ, Senior Management Analyst  
General Services Department

**SUBJECT**

Approve the award of a Cooperative Purchase Agreement to Papé Machinery of Fowler, California, for the purchase of one John Deere 772G motor grader in the amount of \$446,134 for the Department of Public Utilities, Wastewater Management Division

**RECOMMENDATION**

Staff recommends Council approve the award of a cooperative purchase agreement to Papé Machinery of Fowler, California, for the purchase of one John Deere 772G motor grader in the amount of \$446,134 for the Department of Public Utilities, Wastewater Management Division.

**EXECUTIVE SUMMARY**

The Department of Public Utilities, Wastewater Management Division seeks to purchase one John Deere 772G motor grader to rehabilitate and enhance percolation ponds. The new motor grader will be purchased as a replacement through a competitively solicited cooperative procurement process administered by Sourcewell.

**BACKGROUND**

The Department of Public Utilities, Wastewater Management Division is responsible for the collection and treatment of wastewater produced by the City of Fresno. This is accomplished through the operation and maintenance of 1,750 acres

of percolation ponds located at the Wastewater Treatment Plant. These 100 ponds are utilized in three-year intervals for the settlement stage of the wastewater treatment process. After the three-year service is complete, the pond is drained for maintenance and rehabilitated.

Currently, one aging motor grader is used to reform and grade the percolation ponds. The new John Deere 772G motor grader will be built to a specification similar to the existing unit, updated with the latest technology and continue to meet the Tier 4 final emissions standard. The new motor grader will be equipped with Smart Grade Technology which includes a blade flip option. This feature automatically flips the blade and re-positions it to the previous angle setting allowing the operator to turn the motor grader around in one motion. This will allow operators to complete rehabilitation projects more efficiently.

The motor grader equipment class is on a ten year or 5,000-hour replacement schedule which has been established by the Fleet Management Division as the optimum replacement time. The unit identified for replacement is over this limit in both age and hours. The General Services Department, Fleet Management Division recommends this purchase based on the needs of the division and condition of the unit identified for replacement.

The equipment will be purchased utilizing a competitively solicited cooperative procurement process administered by Sourcewell. The total purchase price for the John Deere 772G motor grader is \$446,134, this price includes the Sourcewell discount applied to City purchases as well as delivery and sales tax at 8.35%. The Purchasing Division has approved this contract and recommends Council to approve.

The City Attorney has reviewed and approved to form.

#### **ENVIRONMENTAL FINDING**

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, the award of this contract does not qualify as a "project" as defined by CEQA.

#### **LOCAL PREFERENCE**

Local preference is not applicable because this is a cooperative purchase. However, Papé Machinery is a local business as defined by the FMC.

#### **FISCAL IMPACT**

No general funds will be used to purchase this item. The funding to cover the purchase cost of the John Deere 772G motor grader has been included in the FY2023 adopted budget under the operations of the Department of Public Utilities, Wastewater Management Division. The source of funding for this project is the General Services Department, Fleet Management Division Replacement Fund and the Wastewater Operating Fund, generated primarily by the collection of customer user fees.

Due to global supply chain constraints, the construction equipment industry has faced shortages of raw materials which has created massive under production in many equipment types. This resulted in a lack of availability, causing projects to not get completed within the typical 12-month period. Therefore, the funding for this motor grader was not spent in FY2023 and if approved, the FY2023 funds will be re-appropriated to FY2024 to complete the acquisition.

#### **Attachments:**

Cooperative Purchase Agreement  
John Deere Contract #011723-JDC  
Original RFP  
Proof of Publication  
Proposal Evaluation  
Comment and Review