



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize the Issuance of a Purchase Order for five (5) John Deere 1550 Terrain-Cut Commercial Front Mowers (F18-280)

REPORT IN BRIEF

Approval is requested to authorize the issuance of a Purchase Order to Deere & Company of Cary, North Carolina in the amount of \$104,499.10 (not including sales tax) for five (5) John Deere Front Mowers.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code (SMC), City Council approval is required for procurement of goods and/or services exceeding \$100,000, in any one transaction.

Consistent with the provision of SMC Section 2.08.220(a), the purchasing officer may authorize the City's participation with one or more other governmental, public or quasi-public agencies in a cooperative agreement for the procurement of goods and/or services, provided that at least one of the agencies has solicited bids using methods similar to those set forth in SMC Section 2.08.060.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

The City's Parks program includes approximately 772 acres of parks and open space throughout the City. The City's Parks, Golf and Trees Division is responsible for all service maintenance operations within the City's organizational structure. Support vehicles and equipment such as push and riding lawn mowers, aerators and other landscaping type support equipment are essential machinery for parks maintenance operations.

The City's Vehicle and Equipment Policy provides guidelines for the implementation, maintenance and life-cycle management of vehicles and equipment. Based on the established criteria for the FY 2017/18 vehicle replacement schedule, numerous support machinery is due for replacement throughout the year. The five mower units, identified for purchase, have met their end of life cycle for maintenance cost efficiency and time in service (age).

To identify resources for replacement, the City evaluated a cooperative purchasing agreement that Sourcewell has in place with Deere & Company. Sourcewell, formally the National Joint Power

Alliance (NJPA), is a national organization which competitively selects contractors and vendors who provide bulk pricing and volume discounts for public agencies to purchase the identified goods or services. The City has used Sourcewell many times in the past to identify vendors and has typically experienced better pricing than bidding the project or goods/services individually. Traditionally, the City has purchased fleet vehicles through a cooperative purchasing agreement or through State contract pricing. The specified John Deere 1150 Terrain-Cut Commercial Front Mowers are available through a cooperative agreement between Deere & Company and Sourcewell.

Before authorizing the use of a cooperative agreement initiated by another entity, the following criteria need to be met: the originating parties reach contractual agreement, the contract was awarded within twelve months of the date of authorization, the contract is for identical or nearly identical goods, and the contract resulted from a competitive bid using methods similar to those required by the SMC Section 2.08.060. The Sourcewell Agreement with Deere & Company meets the criteria and therefore the City is recommending award of a purchase order to Deere & Company for five (5) John Deere 1550 Terrain-Cut Commercial Front Mowers.

FISCAL IMPACT

Budgeted funding for this purchase is available in the Fleet Equipment Replacement Account.

Funding Source

This project is funded by the General Services Fund-Fleet Services Sub-Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Approve the issuance of a purchase order to Deere & Company in the amount of \$104,499.10 (not including sales tax) in substantially the same form as Attachment 1 to the report.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Purchase Order