



DATE: September 16, 2024

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Dan Herrera, PE – Deputy Director of Operations, Public Works & Utilities (PW&U)
Gina Benedetti-Petnic, PE – Interim Director, PW&U

SUBJECT: Resolution Authorizing the Purchase of an Excavator for the Public Works & Utilities Department through Sourcewell Cooperative Purchasing Program and Authorizing the City Manager to Execute all Documents Necessary to Complete the Purchase

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution authorizing the purchase of an excavator for the Public Works & Utilities Department through Sourcewell Cooperative Purchasing Program and authorizing the City Manager to execute all documents necessary to complete the purchase.

BACKGROUND

The Operations Division of the Public Works and Utilities Department oversees the operation and maintenance of the City's water distribution system, wastewater collection system, and storm drain conveyance system. These maintenance tasks often involve excavating trenches and open pits to repair and replace broken or leaking pipes and services. Since underground piping can be located up to 10 feet deep, extensive excavations are regularly needed to diagnose and locate issues.

Given the nature of these repairs, especially those involving the water distribution system, the department requires equipment that is readily available, reliable, and capable of extended periods of operation. The department's current gasoline-powered excavator, which is over 10 years old, has reached the end of its useful life. It frequently requires repairs and maintenance, leading to frequent downtime and needing to rent or borrow equipment from others. This not only impacts the department but also delays maintenance activities in other divisions.

The new excavator will be a vital asset for the Operations Division, enhancing the efficiency of maintenance activities for the water distribution, wastewater collection, and storm drain

conveyance systems. Additionally, it will play a crucial role in emergency operations and support the City's climate action goals by replacing the aging gasoline-powered equipment.

DISCUSSION

The Public Works and Utilities Department has identified the replacement of the existing excavator as a critical need and included this purchase in the proposed FY 24/25 budget, which was approved by Council earlier this year.

To ensure the new excavator meets the department's requirements, staff conducted thorough research on potential replacements, focusing on several key criteria:

- **Alternative Energy Sources:** The new excavator must operate on alternative energy sources, such as renewable diesel electricity.
- **Performance Capabilities:** It must meet specific performance requirements, including digging depth and reach.
- **Runtime:** The equipment should support a minimum of 8 hours of operation per workday, with the capability for extended runtimes to address potential emergency situations effectively.

Based on these criteria, staff selected a renewable diesel-powered excavator as the preferred option. Research indicated that other electric alternatives could not meet the required operational runtime and performance metrics, such as digging depth.

The City of Petaluma is a member of the Sourcewell Cooperative Purchasing Program (formerly National Joint Powers Alliance), which provides the City the opportunity to access competitively awarded, nationally leveraged cooperative purchasing contracts. The purchase of specialized equipment provides better prices on state and national cooperative lists since local vendors do not sell this type of specialized equipment. Participating in this competitively bid and awarded statewide purchasing program complies with the Petaluma Municipal Code, Section 4.04.100 (Cooperative purchasing programs), which supports the purchases of supplies and equipment made under a cooperative purchasing program with the State, County, or other public agencies that have been competitively bid and awarded.

Under the Sourcewell Cooperative Purchasing program, the total cost for the excavator is \$59,267.58. This is based on competitive bidding conducted by Sourcewell, with a bid awarded to Kubota Tractor Corporation (Sourcewell Contract #040319-KBA) and purchased through their approved vendor, Garton Tractor, Inc.

Kubota Tractor Corporation is a trusted compact-class construction equipment manufacturer and highly reviewed. The new excavator will be a diesel vehicle, using renewable diesel fuel and continuing the city's efforts to achieve climate action goals.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on September 9, 2024, which was a publicly-noticed meeting.

COUNCIL GOAL ALIGNMENT

This proposed action supports City Council goals and the following workplan items:

- #42 “Find ways for City Operations to reduce greenhouse gas emissions, conserve water, decrease waste, and minimize the use of fossil fuels and investigate and pursue options for carbon sequestration.”
- #203 “Impose a moratorium on City purchases of fossil fuel-powered vehicles, power equipment, and appliances, with limited exceptions for emergency vehicles and equipment when no low climate pollution causing alternatives are reasonably available.”

CLIMATE ACTION/SUSTAINABILITY EFFORTS

Kubota currently only offers a diesel model of their compact excavator in the United States. They have developed electric versions; however, these electric models have only been released in a limited number of outside countries. Additionally, research indicated that other electric alternatives could not meet the required operational runtime and performance metrics, such as digging depth.

Given our immediate need for a new, reliable excavator, it is recommended that we purchase the diesel model, which can operate using renewable diesel. Renewable diesel offers a lower carbon footprint and aligns with our climate action goals by reducing greenhouse gas emissions compared to conventional diesel. We can reassess the need for an electric model in the future if we require a second vehicle and if the electric version becomes available.

The diesel model is available for delivery without delay, allowing us to address our current needs promptly while continuing to pursue long-term climate-friendly solutions.

Ultimately, this action supports California SB32 which requires a 40% reduction in GHG emissions below 1990 levels by 2030. As such this project aligns with the climate action and sustainability efforts the City has been making to become carbon neutral

ENVIRONMENTAL REVIEW

The proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5), in that purchasing an excavator does not meet CEQA's definition of a “project” because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the action constitutes organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. Relatedly, if the proposed action did constitute a project under CEQA, the action is exempt under the common-sense exemption, CEQA Guidelines Section 15061(b)(3), as replacing our existing gas-powered excavator with a renewable diesel excavator will reduce emissions from an equivalent gasoline internal combustion vehicle.

FINANCIAL IMPACTS

The purchase of a new excavator is included in the approved FY 24/25 budget under the Water Fund vehicle and equipment appropriations. The approved budget for a new excavator was \$85,000, which is sufficient for this purchase.

The total cost of the Kubota excavator quoted by Garton Tractor, Inc. is shown below:

Excavator: Kubota U35-4R1A	
Sell Price w/ Sourcewell Discount:	\$ 49,815.72
Assembly, Freight, Inspection, and Delivery:	\$ 2,310.92
Accessories:	\$ 1,999.00
Taxes:	\$ 5,141.94
Total Cost:	\$ 59,267.58

ALTERNATIVES

Alternatives considered but not recommended include:

1. Maintain the status quo by continuing to lease or borrow equipment from other divisions as needed. However, this approach would lead to continued disruptions in maintenance activities and delays due to reliance on borrowed equipment, which impacts both the department's efficiency and the operations of other divisions.
2. Acquire an electric excavator as an alternative. While this option aligns with the City’s sustainability goals, it carries significant risks. Current electric excavator model options available in the United States do not meet the required essential runtimes and performance metrics. These limitations could result in inadequate performance and insufficient operational capacity, particularly during critical emergency situations, potentially jeopardizing timely and effective responses to resident needs.

ATTACHMENTS

1. Resolution
2. Quote from Garton Tractor, Inc.