

City of Calistoga

Staff Report

TO: Honorable Mayor and City Council Members
FROM: Michael Kirn, Public Works Director/City Engineer
DATE: April 17, 2018
SUBJECT: Authorization for the City Manager to Execute a Purchase Agreement with Peterson Cat for a 5-Yard Dump Truck For an Amount not to Exceed \$90,435.

APPROVAL FOR FORWARDING:



Dylan Feik, City Manager

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ISSUE: Consideration of a Resolution authorizing the City Manager to execute a Purchase Agreement with Peterson Cat for a 5-Yard Dump Truck for an amount not to exceed \$90,435.

RECOMMENDATION: Adopt the resolution and authorize staff to process the purchase agreement.

BACKGROUND / DISCUSSION: The City’s current dump truck is 20 years old and is no longer safe for hauling asphalt or other materials on steep grades such as going to Santa Rosa. The recommended dump truck will allow Public Works maintenance personnel to get hot asphalt mix at the Mark West Quarry to perform more effective pot hole patching on City streets.

The City recently joined the National Joint Powers Alliance which is basically a nationwide public agency purchasing agent that solicits bids from various vendors for materials, equipment and supplies. We contacted them regarding the purchase of an International 5-Yard dump truck. They provided the contact information for the low bidder - Peterson Cat and staff requested a quote for the dump truck.

21 The quote we received from Peterson Cat is \$90,434.84. Staff has reviewed the quote
22 and determined that it is very competitive compared with other vendors for a comparable
23 International dump truck. The recommended Resolution authorizes the City Manager to
24 execute a purchase agreement with Peterson Cat in the amount of \$90,434.84 and
25 authorizes staff to procure the equipment.

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27 **CONSISTENCY WITH CITY COUNCIL GOALS AND OBJECTIVES:** The project
28 conforms to Council Goal 3: Establish, improve and maintain City infrastructure;
29 Objective 4 – ‘Support efforts to fund bridge and street maintenance and repair.’

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31 **ENVIRONMENTAL REVIEW:** The recommended action described in this report are not
32 in-and-of-themselves a “project” pursuant to the California Environmental Quality Act
33 (CEQA) Guidelines Section 15378) since they do not result in a physical change in the
34 environment. Furthermore, the work to be performed using the equipment to be
35 purchased is exempt from CEQA pursuant to CEQA Guidelines Section 15301 as repair,
36 maintenance or minor alteration of existing facilities involving no or negligible expansion
37 of use beyond that which presently exists.

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39 **FISCAL IMPACT:** The FY 2017/18 Budget contains appropriations in the amount of
40 \$90,000 for the recommended purchase under Account Numbers 15-4970-4820;
41 \$30,000, 02-4131-4820; \$30,000 and 03-4141-4820; \$30,000. The shortfall of \$435.00
42 will be appropriated from account 15-4970-4820.

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44 **ATTACHMENT:**

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- 46 1. Resolution
- 47 2. Quote from Peterson Cat

RESOLUTION NO. 2018- XXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA,
STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE
A PURCHASE AGREEMENT WITH PETERSON CAT FOR A 5-YARD DUMP TRUCK FOR AN
AMOUNT NOT TO EXCEED \$90,435.**

WHEREAS, the City Council has adopted a goal of improving street maintenance efforts, including repair of potholes; and

WHEREAS, the current dump truck is 20 years old and is no longer safe for hauling asphalt or other materials on steep grades; and

WHEREAS, a new dump truck will allow Public Works maintenance personnel to get hot asphalt mix at the Mark West Quarry to perform more effective pot hole patching on City streets; and

WHEREAS, the City recently joined the National Joint Powers Alliance, a nationwide public agency purchasing agent that solicits bids from various vendors for materials, equipment and supplies; and

WHEREAS, the City has received a quote for the purchase of the 5-Yard Dump Truck from Peterson Cat in the amount of \$90,434.84; and

WHEREAS, staff has confirmed that the quote from Peterson Cat is competitive compared to other vendors for comparable equipment; and

WHEREAS, there is \$90,000 in available appropriations under Account Numbers 15-4970-4820; \$30,000, 02-4131-4820; \$30,000 and 03-4141-4820; \$30,000 in the FY 2017-18 Budget for the purchase of the 5-Yard Dump Truck. The shortfall of \$435.00 will be appropriated from account 15-4970-4820.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Calistoga authorizes the City Manager to execute a Purchase Agreement with Peterson Cat in an amount not to exceed \$90,435 and authorizes staff to procure the equipment.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calistoga at a regular meeting held this 17th day of April 2018, by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

CHRIS CANNING, Mayor

ATTEST:

KATHY FLAMSON, City Clerk



SALES ORDER

Purchaser Name: City Of Calistoga
Address: 414 Washington St
City: Calistoga
ST: Calistoga
ZIP: 94515

Delivery Address (if different than Purchaser's address)

1/0/1900

Quantity	Make	Model	VIN	Description	Engine	Transmission
1	International	4300	3HAMMMML5KL560227	5 Yard Dump	Cummins ISB	Allison 2500RDS 6-Spd

Delivery: F.O.B.

Date:

or as soon as possible thereafter.

Payment Terms: The Grand Total (less the non-refundable Deposit) is due and payable to Peterson Trucks, Inc. ("Dealer") within thirty (30) days of invoice by Dealer to Purchaser or at delivery, whichever comes first. A finance charge of 1.5% per month (18% per year) will be charged on any amounts remaining unpaid. Unless otherwise set forth in an invoice, payment is to be made to Dealer, 2718 Teagarden Street, P.O. Box 5258, San Leandro, California 94577. In the event of collection by suit or otherwise, including suit to enforce payment of the amount owing to Dealer, Purchaser agrees to pay all reasonable attorneys' fees and court costs as incurred.

Price Each	83,856.00
Sales Tax	6,498.84
Fed. Ex. Tax	0
CA Tire Tax	-
DMV Fees	-
Doc Fees	\$80.00
Total Each	90,434.84
Origination Fees	\$0.00
Allowance	-
Grand Total	90,434.84
Deposit (non-refundable)*	-
Purchase Order #	-

**The Deposit described above is due and payable upon delivery by Purchaser of this executed Sales Order and is non-refundable. Dealer shall have no obligation to furnish the item(s) or equipment described in this Sales Order unless and until a Deposit has been delivered by Purchaser.*

Trade In:


The purchase and sale of (or trade in for) the item(s) or equipment described in this Sales Order are subject to the Terms and Conditions set forth on the reverse side of this Sales Order. This Sales Order and the Terms and Conditions contained on the reverse side constitute the entire agreement of the parties affecting this order and no other agreement or understanding has been entered into or will be binding upon the parties, unless in a writing signed by both parties.

The undersigned Purchaser has read the Terms and Conditions appearing on the reverse side of this Sales Order. The undersigned, by his/her/its signature acknowledges that said Terms and Conditions are a part of this Sales Order as if said Terms and Conditions were printed above my/its signature hereto, and agrees to be bound to said Terms and Conditions. This Sales Order will not become binding on Dealer unless the Deposit described above has been made and until this Sales Order has been accepted and signed by the authorized representative of Dealer. If Purchaser is a corporation, limited liability company, partnership or other entity or organization, the person signing this Sales Order warrants that he/she has the power to bind Purchaser, or failing the same, agrees to be bound in his/her individual capacity.

PURCHASER:

By: _____
Print Name: _____
Its: _____

PETERSON TRUCKS INC.

By: 
Print Name: Plattner
Its: Authorized Agent

TERM AND CONDITIONS

It is further understood and agreed that the Sales Order on the reverse side is subject to the following terms and conditions which have been mutually agreed upon, which terms and conditions are made a part of such Sales Order by this reference:

1. If a date for delivery has been specified in this Sales Order, it is understood that Dealer will endeavor to make delivery to the Purchaser on or about such date without liability, whatsoever, to Dealer, and Dealer may make delivery at the earliest practicable date as determined by Dealer. In the event that no date for delivery has been specified in this Sales Order, it is understood that Dealer may make delivery at the earliest practicable date as determined by Dealer.
 2. Dealer shall not be liable for delays caused by the Manufacturer or any accidents, strikes, fires, acts of God or any cause whatsoever beyond the control of Dealer.
 3. The price of the product quoted herein does not include any tax or taxes imposed by any governmental authority prior to or at the time of delivery of such product unless expressly so stated, and the Purchaser assumes and agrees to pay any taxes imposed on or incidental to the transaction herein regardless of the person having the primary tax liability.
 4. If Dealer agrees to accept used equipment as a trade-in, Purchaser warrants that the trade-in is his/her/its own property and is free of any liens and encumbrances, except as disclosed herein. Dealer shall inspect the body and the mechanical condition and appraise the used equipment on the date of this offer. Purchaser warrants to deliver the trade-in on the delivery date in substantially the same condition as found on this inspection and without additional liens. Dealer reserves the right to re-inspect and re-appraise the trade-in on delivery date and adjust the trade-in allowance accordingly.
 5. If this Sales Order covers the purchase of used equipment, there are no warranties expressed or implied, representations, promises or statements in connection with the sale of the equipment covered in this Sales Order. Purchaser has had an adequate opportunity to inspect the equipment and make his/her/its own estimate as to the condition of the equipment. Used equipment is sold "as is" with absolutely no warranty or guaranty except that Dealer guarantees and warrants title to said property.
 6. If this Sales Order covers new equipment, the same is given and accepted subject to Manufacturer's warranty in effect at the time of delivery of the Sales Order. It is understood that no other warranties, agreements or representations of any kind whether expressed or implied, including any warranty of merchantability or fitness for a particular purpose, are made or have been authorized by Dealer, its employees, contractors, agents, representatives, affiliates, or successors and assigns (collectively, "Dealer's Agents"), with respect to any of the items or equipment described in this Sales Order, unless endorsed herein and signed by the parties hereto.
- No adjustments, repairs or any items or equipment sold hereunder, or assistance given by Dealer in connection with the same, shall be deemed to be a waiver of any of the provisions of the aforesaid warranty. Purchaser acknowledges and agrees that any warranty with respect to the items described in this Sales Order are made solely by the manufacturer of said item or equipment ("Manufacturer") and Purchaser will indemnify, defend and hold harmless Dealer and Dealer's Agents from and against any and all claims, suits, proceedings, losses, damages of any kind and nature (including, but not limited to, bodily injury, death and/or property damage), costs (including but not limited to, attorneys' fees), whether instituted or threatened, arising out of, related to or in any way connected with any item or equipment described in this Sales Order.
7. The Purchaser agrees that damages arising from failure to consummate the sale contemplated by this Sales Order may be difficult to measure and that a reasonable measure of damages will be the difference between the price set forth herein and the amount for which the equipment can be sold to another party, plus any costs, charges and related expenses that may be incurred by the seller to hold, store, maintain and sell the equipment.
 8. In the event of litigation, suit or proceeding concerning any portion of this Sales Order in which Dealer shall prevail, all Court costs and reasonable attorneys' fees will be paid by the Purchaser. Venue in any action by or against Dealer shall be in the federal or state courts of the County of Alameda, which is the location of Dealer's principal place of business office where payments are to be made.
 9. This Sales Order is not assignable by the Purchaser except with Dealer's written consent.
 10. It is understood that the Manufacturer has reserved the right to make changes in model and design in products and parts at any time without incurring any obligation to Dealer to make corresponding changes in the product here ordered, either before or subsequent to delivery to the Purchaser and, accordingly, Dealer shall not be obligated to Purchaser in any way in the event of any such change.
 11. Dealer is not responsible in any way for changes in specifications or design.
 12. The acceptance of this Sales Order is subject to the completion of credit investigation and approval by the credit department of Dealer.
 13. In the event the terms of this Sales Order do not require payment in full in cash at the time of delivery, Purchaser agrees to execute and deliver a Security Agreement on a form generally used by Dealer at Dealer's option on terms satisfactory to Dealer and the handling charges, insurance costs, discount charges and any other expenses connected with sale of security interest may be added to the balance of the purchase price. It is understood and agreed that whether or not a Security Agreement is entered into by Purchaser in favor of Dealer, Dealer shall retain a security interest in each and every item subject to the Sales Order and title to and right of possession of said equipment or item shall remain vested in Dealer until all obligations of Purchaser hereunder and payment of all other sums which may be due or are to become due from Purchaser to Dealer, whether evidenced by notes, book account, judgment, or otherwise, shall have been fully paid at which time ownership shall pass to the Purchaser. It is expressly agreed and warranted that this is a commercial sale and the equipment sold herein is to be used for commercial purposes.
 14. Dealer shall not be held liable or responsible for any costs or expenses or for any damages on account of personal injuries or injuries to property or otherwise suffered or sustained in the operation of this equipment, the subject of this Sales Order, nor for any damages alleged to result to Purchaser by reason of delays or alleged failure or said equipment to operate.
 15. Dealer reserves the right to accept or reject this Sales Order and shall not be required to give any reason for non-acceptance.