

ACTION BRIEF

BOARD OF DIRECTORS



Agenda Number 5.c

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MEETING DATE: Thursday, May 4, 2023

AGENDA ITEM: Purchase Contract for Motor Grader Replacement (*Project Reliability*[^]) - Rettinger

RECOMMENDATION: Staff recommends that the Board of Directors award a capital equipment purchase to Caterpillar Inc. for two (2) 140M Motor Graders and authorize the General Manager, or her designee, to execute an agreement up to \$1,004,782.00 plus an additional \$100,478.00 (10%) for contingencies (totaling \$1,105,260.00).

FISCAL IMPLICATIONS: Yes

Impact on Budget:

Equipment costs will occur in 2023. Delivery lead time is 16 weeks to complete submittals, construction, testing, and shipping. A contract award at this time will allow for the Caterpillar 140M Motor Graders to be delivered and received within the 2023 budget year.

	2023
Funds Used / Requested	\$1,004,782
Funds Included in Budget	\$770,000
(Over) / Under Budget	(\$234,792)

Additional spending authority requested: None

Impact on Reserves:

None

Impact on Rates:

None

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:

2022 CAWCD Board Strategic Plan

Project Reliability: *Providing reliable and cost-effective operations, maintenance, and replacement of CAP's infrastructure and technology assets*

CAWCD Purchasing Policy

PREVIOUS BOARD ACTION/ACTIVITY:

November 2021 Board approved 2022-2023 Biennial Budget

ISSUE SUMMARY/DESCRIPTION:

The existing Caterpillar 143H Motor Graders (2) provides support to water pump stations, checks, turnouts, and associated CAP critical infrastructure. They are a vital component of the overall operations and maintenance strategy to CAP and provides CAP the ability to self-perform essential maintenance to ensure reliability of water deliveries.

The existing Caterpillar 143H Motor Graders have reached their end of useful life and its reliability to CAP has diminished significantly. The new Caterpillar 140M Motor Graders will provide the dependability required for

Field Maintenance teams to execute maintenance activities necessary to support water deliveries and mission critical work.

The new Caterpillar 140M Motor Graders have the required all-terrain specifications necessary to safely navigate the many different challenging environments that our pumping plants and critical infrastructure operate in.

Caterpillar Inc. was selected pursuant to the cooperative purchasing principles described within CAP's Purchasing Policy. This allows CAP to engage a qualified vender that meets the required criteria and standards without needing to undertake a bidding process. CAP utilized (GSA) General Services Administration Contract GS-30F-0018U awarded to Caterpillar to meet our equipment needs.

SUGGESTED MOTION:

I move that the Board of Directors approve the award of a purchase contract to Caterpillar Inc. for \$1,004,782.00 plus an additional \$100,478.00 (10%) for contingencies (totaling \$1,105,260.00) for the equipment purchase of two (2) Caterpillar 140M Motor Graders and authorize the General Manager, or her designee, to execute the agreement.

ATTACHMENTS:

None