

Item S-504  
(R-2025-72) 9/10/24

RESOLUTION NUMBER R- 315762

DATE OF FINAL PASSAGE SEP 16 2024

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING EXECUTION OF A COOPERATIVE PROCUREMENT CONTRACT WITH HAWTHORNE MACHINERY COMPANY FOR THE PURCHASE OF CATERPILLAR, INC. HEAVY CONSTRUCTION EQUIPMENT WITH RELATED ATTACHMENTS AND TECHNOLOGY.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. The City of San Diego's (City) fleet is one of the largest in the nation, serving the eighth largest city in the United States with an inventory of over 4,600 pieces of fleet equipment.

B. The Department of General Services, Fleet Operations Division (FOD) oversees the City's fleet by providing comprehensive fleet management services to City departments, including repair, maintenance, acquisition, replacement, and disposal of all fleet equipment.

These assets are the lifeblood of department operations throughout the City.

C. The City cannot provide services effectively and efficiently without the appropriate types of vehicles and equipment operating in a safe condition.

D. FOD is comprised of over 200 full-time equivalent employees and has an annual budget of over \$100 million dollars. A significant portion of the services that FOD provides are the acquisition and disposal functions. The acquisition and disposal functions are the core of basic fleet management because these functions maintain proper lifecycles by facilitating timely replacements of vehicles and equipment.

E. FOD is tasked with replacing approximately 400 - 600 pieces of equipment annually. Timely replacement is a fleet management best practice, resulting in repair cost savings and increased vehicle reliability.

F. As a vehicle ages, routine preventative maintenance transitions to lengthy and in-depth repairs that are often costly, making the vehicle unreliable and uneconomical to maintain. The overall goal for fleet vehicles is to have the vehicles available and ready to perform when needed.

G. On November 15, 2022, Sourcewell (formerly known as National Joint Powers Alliance) issued Request for Proposal (RFP) Number 011723 soliciting proposals for heavy construction equipment with related attachments and technology. As a result of the competitive process, Caterpillar Inc. ranked number one out of the 18 responsive proposals received (Caterpillar was the highest scoring proposer). Sourcewell awarded Contract No. 011723-CAT to Caterpillar, Inc. to provide the classifications of equipment with related attachments and technology through April 14, 2027, with an option to extend for one additional year, making this contract available to the City through April 14, 2028.

H. The City's Purchasing Agent has certified in writing that Sourcewell Contract No. 011723-CAT for Caterpillar, Inc. heavy construction equipment with related attachments and technology meets the requirements for use of cooperative procurement contracts set forth in San Diego Municipal Code section 22.3208. Sourcewell Contract No. 011723-CAT is in the City's best interests; to the City's economic advantage; and was competitively awarded using a process that complies with the policies, rules, and regulations developed by the City Manager.

I. Caterpillar, Inc.'s sales and service forces and large dealer network are available to Sourcewell participating entities in the United States and Canada. Hawthorne Machinery

Company is the local authorized dealer of Caterpillar, Inc. and has agreed to provide to City the same pricing offered under Sourcewell Contract No. 011723-CAT for heavy construction equipment with related attachments and technology.

J. The Office of the City Attorney prepared this Resolution based on the information provided by City staff with the understanding that this information is complete and accurate.

ACTION ITEMS

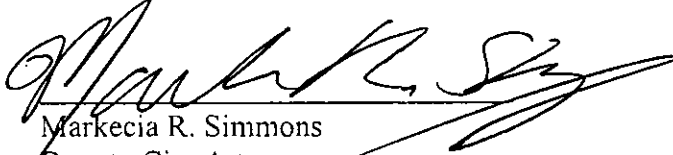
Be it resolved by the Council of the City of San Diego:

1. Authorize the Mayor, or his designee, to execute for and on behalf of the City, a Cooperative Procurement Contract with Hawthorne Machinery Company for the purchase of Caterpillar, Inc. heavy construction equipment with related attachments and technology as-needed, in an amount not-to-exceed \$10,500,000, for a term extending through April 14, 2027, with an option to extend for one additional year, under the terms and conditions set forth in the Contract, on file with the Office of the City Clerk as Document No. RR- **315762**.

2. Authorize the Chief Financial Officer to expend an amount not-to-exceed \$10,500,000 from the applicable Fleet Operations Vehicle Replacement Funds (Funds Numbers 720002 through 720037, 720058 through 720059, and 720063), over the term of the Contract which includes the option to extend for one additional year, to purchase Caterpillar, Inc. heavy construction equipment with related attachments and technology, contingent upon adoption of the Annual Appropriation Ordinance for the applicable fiscal year, and contingent upon the

Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

APPROVED: MARA W. ELLIOTT, City Attorney

By   
Markecia R. Simmons  
Deputy City Attorney

MRS:cw  
August 26, 2024  
Or.Dept: General Services, Fleet Operations Division  
CC No.: 3000017070  
Doc. No.: 3772977

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on SEP 10 2024.

DIANA J.S. FUENTES  
City Clerk

By   
Deputy City Clerk

Approved: 9/16/24  
(date)

  
TODD GLORIA, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
TODD GLORIA, Mayor

The City of San Diego  
**COMPTROLLER'S CERTIFICATE**

**CERTIFICATE OF UNALLOTTED BALANCE**

ORIGINATING CC 3000017070  
 DEPT. NO.: 1317

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: \_\_\_\_\_

Purpose: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Date: \_\_\_\_\_ By: \_\_\_\_\_  
 COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Funded Program	Fund	Grant Number	G/L Account	Functional Area	Business Area	Fund Center or Cost Center	Internal Order or WBS Element	Original Amount
TOTAL AMOUNT									

FUND OVERRIDE

**CERTIFICATION OF UNENCUMBERED BALANCE**

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: \_\_\_\_\_ \$2,500,000.00

Vendor: \_\_\_\_\_

Purpose: To authorize the expenditure of funds not to exceed \$2,500,000.00 to Hawthorne Machinery Co. for the purchase of Caterpillar, Inc. for the purchase of heavy construction equipment with related attachments and technology for FY25.

Date: \_\_\_\_\_ August 29, 2024 By: Van Nguyen  
 COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Funded Program	Fund	Grant Number	G/L Account	Functional Area	Business Area	Fund Center or Cost Center	Internal Order or WBS Element	Original Amount
1	NON-PROGRAM	720011	NOT RELEVANT GRANT	560045	OTHR-00000000-GG	1317	1317121111		\$2,500,000.00
TOTAL AMOUNT									\$2,500,000.00

Passed by the Council of The City of San Diego on SEP 10 2024, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage SEP 16 2024.

**(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)**

AUTHENTICATED BY:

TODD GLORIA  
Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES  
City Clerk of The City of San Diego, California.

By Connie Patterson Deputy

Office of the City Clerk, San Diego, California

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