

City of Sacramento
City Council - 2PM Report
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-01571

9/22/2026

[Contract Supplement] Replacement Fleet Asset Cooperative Purchases [Published for 10-Day Review 09/10/2026]

File ID: 2026-01571

Location: Citywide

Recommendation: Pass a **Motion** authorizing the City Manager or designee to execute Supplement Agreement No. 1 to City Agreement No. PRC003697 with Pape Machinery, Inc. to allow the purchase of construction equipment, increasing the amount of the contract by \$875,000, for a new contract not-to-exceed amount of \$1,500,000.

Contact: Stacey Chatman, Program Specialist, (916) 808-6711, schatman@cityofsacramento.org; Alison Kerstetter, Fleet Manager, (916) 808-1163, akerstetter@cityofsacramento.org; Department of Public Works

Presenter: None

Attachments:

1-Description/Analysis

2-Supplemental Contract No. 1

Description/Analysis

Issue Detail:

The Fleet Management Division regularly purchases vehicles and heavy equipment to support essential City operations. Maintaining established contracts for these purchases allows the City to replace aging fleet assets in a timely manner, helps prevent service interruptions and excessive maintenance costs, and supports the operational needs of City departments.

Public Works utilizes cooperative purchasing agreements that have been competitively solicited and awarded by other public agencies. Use of these agreements can provide favorable pricing, reduce administrative burden, and expedite the procurement of vehicles and equipment.

On July 1, 2025, the City entered into City Agreement No. PRC003697 with Pape Machinery, Inc., the local John Deere dealer, utilizing a competitively awarded Sourcewell cooperative purchasing agreement for heavy construction equipment, including backhoes, skid steers, and similar equipment. The existing City agreement has a not-to-exceed amount of \$625,000.

Additional contract capacity is needed to support anticipated fleet replacement purchases in FY27 and through the remaining term of the cooperative agreement. Staff recommend increasing the contract amount by \$875,000, from \$625,000 to \$1,500,000, to allow the City to continue purchasing the heavy construction equipment needed without interruption.

The cooperative agreement expires on April 14, 2027.

Policy Considerations:

The recommendations in this report are in accordance with Sacramento City Code Section 3.56.240, cooperative purchasing, Sacramento City Code Section 3.56.090 which requires any agreement of \$250,000 or more to be approved by City Council, and with Sacramento City Code Section 4.04.020 and City Council Rules of Procedure, Chapter 7, Section E.2.d, which requires additional posting time for labor agreements and all agreements greater than \$1 million. This item was published for 10-day review on September 10, 2026, in compliance with the City Code.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): No environmental review is necessary because the proposed activity in this report involve the purchase of vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines and is therefore not subject to CEQA Guidelines Section 15060(c)(3).

Sustainability: The recommended purchase agreement amendment is consistent with the updated Fleet Sustainability Policy adopted by City Council on December 12, 2017 (Resolution No. 2017-0478) and California Air Resources Board (CARB) regulations Purchases of zero emission models will be purchased as made available from the vendors and if they comply with operational needs.

Commission/Committee Action: None.

Rationale for Recommendation: The Sourcewell cooperative purchasing agreement was established through a competitive procurement process. Sourcewell issued Request for Proposals No. 011723 for Heavy Construction Equipment, received 18 responses, and awarded 15 contracts. The City subsequently entered into a cooperative purchasing agreement with Pape Machinery, Inc., the local John Deere dealer, effective July 1, 2025.

Use of the competitively awarded cooperative agreement provides the City access to favorable pricing based on higher purchasing volumes while reducing the time and administrative costs associated with conducting separate City solicitation.

Additional heavy equipment purchases are anticipated in FY27 and potentially FY28. Increasing the contract's not-to-exceed amount by \$875,000 will provide sufficient contract capacity to make necessary fleet replacement purchases during the remaining term of the cooperative agreement

while ensuring that individual purchases remain subject to available budget authority and applicable City purchasing requirements.

Financial Considerations: Purchases under this contract will be made from the Department of Public Works FY27 operating budget (Fleet Fund, Fund 6501) and charged to the applicable customer department Fleet Projects for replacement vehicles and equipment.

Sufficient funding is available in the Department's FY27 operating budget and applicable customer department Fleet Projects to support anticipated FY27 purchases. Approval of the contract supplement does not appropriate additional funding. Purchases will be made only to the extent sufficient budget authority is available in the Fleet Fund and applicable customer department Fleet Projects.

Local Business Enterprise (LBE): The minimum LBE participation requirement is waived for the City's use of cooperative purchase agreements that have been competitively bid, evaluated, and awarded by other governmental agencies that may or may not have similar LBE programs.

CONTRACT #: PRC003697
AMENDMENT #: 01
CONTRACT NAME: JOHN DEERE EQUIPMENT
NOT TO EXCEED AMOUNT (INCLUDING SUPPLEMENTS): \$1,500,000

DATE: 9/22/2026
PROJECT: None
SOLICITATION: Cooperative
MOTION / DATE OR FILE ID: 09/22/2026 2026-01571

CITY OF SACRAMENTO

**CONTRACT AMENDMENT
COOPERATIVE/PIGGYBACK AGREEMENT
CHANGE IN NOT-TO-EXCEED AMOUNT**

The City of Sacramento ("City") and PAPE MACHINERY, INC. ("Contractor"), as parties to that certain Cooperative/Piggybacking Agreement designated as Contract Number PRC003697, including any and all prior amendments modifying the contract (the contract and all amendments are hereafter collectively referred to as the "Contract"), hereby amend the Contract as follows:

1. The maximum not-to-exceed amount that is specified in the Contract for payment of Contractor's fees and expenses is **increased** by \$875,000, and the Contract's maximum not-to-exceed amount is amended as follows:

Contract's original not-to-exceed amount:	<u>\$ 625,000</u>
Net change by previous amendments:	<u>\$ 0.00</u>
Not-to-exceed amount prior to this amendment:	<u>\$ 625,000</u>
Increase by this amendment:	<u>\$ 875,000</u>
New not-to exceed amount including all amendments:	<u>\$1,500,000</u>

2. Contractor warrants and represents that the person or persons executing this contract amendment on behalf of Contractor is duly authorized by Contractor to sign this amendment and bind Contractor to the terms hereof.
3. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform as required under the Contract, as modified by this amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: 
Anthony A Bertoldi (Sep 1, 2026 06:46:00 PDT)

Title: Government Sales

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: *Paul Gale*

Title: Sr. Dep City Atty

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title: