



AGENDA REPORT

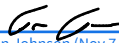
TO: Jestin D. Johnson
City Administrator

FROM: Josh Rowan
Director OakDOT

SUBJECT: Asphalt Paver Purchasing Contract

DATE: October 8, 2024

City Administrator Approval


Jestin Johnson (Nov 7, 2024 15:39 PST)

Date: Nov 7, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Awarding A Purchasing Contract To Nixon-Egli Equipment Company In An Amount Not To Exceed Six Hundred Seventy-Five Thousand Dollars (\$675,000.00) For The Purchase Of 1 (One) Vogele Super 2000-3l Asphalt Paver In Accordance With Cooperative Agreement Sourcewell Contract Number 101221-VAC Pursuant To Oakland Municipal Code Section 2.04.080.

EXECUTIVE SUMMARY

Beginning in 2017, the Department of Transportation (OakDOT) has significantly expanded its in-house paving operations to support citywide pavement rehabilitation goals. Reliable equipment is essential to achieving these mileage goals. Approval of this proposed resolution will enable the purchase of a larger asphalt paver, which will almost double the city's daily in-house paving rate. OakDOT has existing funds allocated for the purchase through the Fiscal Year (FY) 2023-25 Adopted Budget, and further appropriation of funds is not needed.

BACKGROUND / LEGISLATIVE HISTORY

Measure KK was approved by the voters of Oakland in November 2016 to fund \$600M of vital infrastructure maintenance improvements, including \$350M for streets and sidewalks. With the passage of Measure KK, the City expanded its in-house capacity by budgeting for new equipment and two new street repair crews. OakDOT now maintains a fully staffed in-house paving crew that performs street paving year-round.

The City Council adopted the FY 2023-25 Budget on June 26, 2023 ([89804 CMS](#)), which included appropriations for equipment replacements for the Oakland Department of Transportation (DOT) Great Streets Maintenance Division. This appropriation is for the department to replace service equipment that has exceeded its expected lifecycle.

The 2022 Five-Year Paving Plan was adopted on December 21, 2021 ([88975 CMS](#)). Both in-house and contracted paving crews have been rehabilitating Oakland streets per the plan's prioritization schedule, primarily based on equity metrics and pavement condition.

ANALYSIS AND POLICY ALTERNATIVES

Procurement

Under the Oakland Municipal Code (OMC) 2.04.080, where advantageous for the City, the City Administrator may purchase supplies or services as defined in Section 2.04.010 through legal contracts of other governmental jurisdictions or public agencies that were awarded pursuant to an appropriate competitive process without further contracting, solicitation, or formal bidding.

The use of cooperative agreements allows the City to ensure services are uninterrupted, provides the City with access to commodities and services at lower prices, which results in significant cost savings for the City, and significantly shortens the contract cycle because the competitive solicitation process has been completed by another governmental jurisdiction or public agency thereby saving staff time and resources.

Sourcewell is a government agency that combines the buying power of more than 50,000 government, education, and nonprofit organizations to save time and money. The cooperative purchasing program manages the solicitation requirements and offers easy access to an established network of awarded contracts.

Sourcewell Contract No. 060122-WAI was awarded to Wirtgen America, Inc. as the manufacturer of Asphalt Paving Equipment. Wirtgen is an equipment manufacturer and does not perform direct sales. Nixon-Egli Equipment Company is a local authorized dealer designated by Wirtgen to sell equipment at the Sourcewell contract price. Sourcewell Contract No. 060122-WAI was competitively bid, and Nixon-Egli Equipment Company was deemed the most qualified vendor with the lowest price and awarded the contract.

Use of Equipment

The proposed new asphalt paver would support operations resiliency. OakDOT's Great Streets Maintenance Division has three asphalt pavers. Two units are currently in the queue for repairs, and the third has exceeded its lifecycle. The equipment is essential to continuing in-house paving. Repair of the specialized machinery has extremely long turn-around times, amplifying the need for backup equipment. Therefore, having a new, reliable paver allows City crews to continue paving while equipment is being serviced.

The new asphalt paver will also improve productivity. The new asphalt paver has the capacity to lay approximately 500-600 tons of asphalt per day. The current, smaller machines owned by the City can lay 300-400 tons per day, limiting the rate of paving. When in operation, the larger machine would significantly increase the area paved each working day.

Staff recommends approval of the proposed resolution to purchase a new asphalt paver. If the proposed resolution is not approved, the Purchasing Unit would conduct a standalone purchasing process. Given existing vacancies and purchasing queue, this would take several months to a year; additionally, staff would need to return to the Council to request authorization to complete the purchase. If the one current paver not in for repairs becomes inoperable before the new unit is approved for purchase, in-house paving will halt. There is also no certainty that

the City would be able to achieve a lower price for the unit, given that a standalone purchasing process for a single unit would not maintain the same buying power as the cooperative purchase agreement.

Approval of the proposed resolution would support the City's critical services and priorities, including **vibrant, sustainable infrastructure** by allowing for ongoing Oakland Department of Transportation operations and implementation of the City's 2022 5-Year Paving Plan.

FISCAL IMPACT

Funding for the proposed purchase is available in the Fiscal Year 2023-2025 Biennial Adopted Budget as approved by the City Council in the following funding sources:

Description	Project	Fund	Account	Org	Amount
Measure BB	1003469	2218	57611	35221	\$455,000.00
State Gas Tax - Road Maintenance and Rehabilitation Account	1003469	2230	57611	35221	\$25,000.00
State Gas Tax - Highway Users Tax Account	1003469	2232	57611	35221	\$195,000.00
Total					\$675,000.00

PUBLIC OUTREACH / INTEREST

Street repaving, sidewalk repair, and curb ramp construction are top priorities for Oaklanders, and a significant public outreach process was performed toward the adoption of the 2022 5-Year Paving Plan.

COORDINATION

In coordination with the Equipment Services Division of Oakland Public Works, the Oakland Department of Transportation prepared the requested action. In addition, the Office of City Attorney and Budget Bureau have reviewed this report and resolution.

SUSTAINABLE OPPORTUNITIES

Economic: Implementation of the proposed contract for the asphalt paver purchase will ensure continuous upkeep and safety to the City's roadway infrastructure.

Environmental: The Equipment Services Division strives to maintain current industry standards for vehicles and equipment. Adoption of this proposed resolution will reduce environmental impacts by acquiring newer equipment that uses less fuel and has lower tailpipe emissions.

Race & Equity: Paving work supported by the approval of this resolution will follow the racial equity framework of the adopted 5-Year Paving Plan.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)


The actions in this report are not considered a project under CEQA; therefore, CEQA review is not applicable.

ACTION REQUESTED OF THE CITY COUNCIL

A Resolution Awarding A Purchasing Contract To Nixon-Egli Equipment Company In An Amount Not To Exceed Six Hundred Seventy-Five Thousand Dollars (\$675,000.00) For The Purchase Of 1 (One) Vogeles Super 2000-3I Asphalt Paver In Accordance With Cooperative Agreement Sourcewell Contract No. 101221-VAC Pursuant To Oakland Municipal Code Section 2.04.080.

For questions regarding this report, please contact Kenneth Patton, Operations Manager, at (510) 615-5539.

Respectfully submitted,


Josh Rowan (Nov 6, 2024 14:03 PST)

Josh Rowan, P.E.
Director, Department of Transportation

Reviewed by:
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Complete Streets Paving & Sidewalks
Department of Transportation