

AGENDA REPORT

TO: Jestin D. Johnson FROM: Liam Garland

City Administrator Acting Director,

Oakland Public Works

SUBJECT: Nixon-Egli Equipment Company, **DATE:** July 8, 2025

Contract for Paving Equipment Parts

and Repair Services

City Administrator Approval

Jestin Johnson (Jun 24, 2025 12:04 PDT)

Date: Jun 24, 2025

RECOMMENDATION

Adopt A Resolution: (1) Awarding A Contract To Nixon-Egli Equipment Company, The Lowest Responsive And Responsible Bidder In Response To RFQ #312524, To Provide Paving Equipment Parts And Repair Services In The Amount Not To Exceed Seven Hundred Thousand Dollars (\$700,000) Per Year For A Four Year Term, July 1, 2025, To June 30, 2029, For A Total Not To Exceed Contract Amount Of Two Million Eight Hundred Thousand Dollars (\$2,800,000) Over A Four Year Term; (2) Waiving The Local Business/Small Local Business Enterprise Program Utilization Requirement; (3) And Making Appropriate California Environmental Quality Act Findings.

EXECUTIVE SUMMARY

Adopting the proposed resolution for a parts and service agreement with Nixon-Egli Equipment Company will ensure that the City of Oakland's paving equipment will receive repairs and maintenance required for the operational safety of both the operators and the public.

BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland (City) currently maintains a fleet of approximately 1,900 vehicles and equipment, comprised of staff and emergency response vehicles, with nearly 800 of these assets requiring maintenance and repairs by Heavy Equipment Mechanics. Within Oakland Public Works (OPW), the Equipment Services Division's Heavy Equipment Shop is the primary source for providing the required maintenance and repairs for these assets.

During peak demands or excessive workload, the Equipment Services Division will rely on vendors specializing in paving equipment repairs to provide parts and services to reduce the equipment's out-of-service time or downtime. Equipment downtime due to routine preventative

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maintenance or mechanical breakdown in the field must be minimized as much as possible to ensure response readiness. OPW's Bureau of Maintenance and Internal Services (BMIS), Equipment Services Division uses this contract to complete work on equipment maintenance and repairs to ensure their operational safety for the City's staff and public.

The City's fleet of heavy equipment is experiencing significant operational challenges due to its advanced average age of 13.2 years, which exceeds the industry-standard expected service life of 10 years. As a result, the aging equipment is increasingly prone to costly repairs and extended downtime. Currently, over 60 units are out of service and awaiting repairs or maintenance.

Nixon-Egli Equipment Company is the City's contracted vendor for heavy equipment repairs. However, the volume of equipment requiring service has led to delays that are adversely impacting multiple City departments. These include Keep Oakland Clean and Beautiful (KOCB), the Department of Transportation (DOT), the Oakland Public Works (OPW) Sewers Division, and the Oakland Fire Department (OFD), all of which rely on timely access to functional equipment to maintain essential services.

ANALYSIS AND POLICY ALTERNATIVES

On October 15, 2024, Specification No. 22-928-00/Request For Quotation (RFQ) No. 312524 *(Attachment A)* to provide paving equipment parts and repair services to City owned equipment was sent to fourteen (14) business enterprises, which included:

- Nixon-Egli Equipment Company
- 72 HR LLC DBA Chevrolet of Watsonville
- Albany Ford & Subaru
- American Auto Repair-Rebuilders
- Economy Trucking Services, Inc.
- Jasper Engines and Transmissions
- Kelly's Truck Repair
- KJ's Auto Body and Repair
- Mickis Towing Inc
- Qui Quality Auto Service Inc
- United Transmission Exchange
- Pape Machinery Inc
- The W.W. Williams Company LLC
- Fleetworks Inc

The notice was also posted on the City's website and advertised in the City's official newspaper following Oakland Municipal Code (OMC) 2.04.050.

On November 18, 2024, the City Clerk's Office received one bid proposal from Nixon-Egli Equipment Company for Specification No. 22-928-00/RFQ No. 312524 to provide paving equipment parts and repair services to city-owned equipment.

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Evaluation of results, contract requirements, and contract capacity needs was concluded, and Nixon-Egli Equipment Company in Tracy, California as deemed the lowest responsive and responsible bidder, and thus qualified to provide paving equipment parts and repair services to City owned equipment.

The proposed resolution supports the Citywide Priorities of a **vibrant**, **sustainable Infrastructure** by providing staff with properly maintained and repaired equipment that enables staff to perform the required fieldwork throughout the City, providing essential services for the City's residents while keeping both the operators and members of the public safe.

Ordinance numbers <u>13640</u> and <u>13647</u> C.M.S. require a minimum 50-percent (50%) Local Business Enterprise/Small Local Business Enterprise (LBE/SLBE) participation for all purchases of commodities, goods, and associated services for contracts valued at or over fifty thousand dollars (\$50,000) when there are at least three certified businesses listed in the industry, trade, or profession that constitutes a major category of work.

However, the Council may waive the City's LBE/SLBE requirements for the purchase of commodities, goods, services, supplies, or a combination thereof due to a lack or limited availability of SLBEs or LBEs under Part I of Oakland's Local and Small Local Business Enterprise Program guidelines adopted by Ordinance No. 13647 C.M.S.

No bids from LBE/SLBEs were received that can provide paving equipment parts and repair services to City-owned equipment, and provide the products or perform the services that are required under this contract. The recommended contractor, Nixon-Egli Equipment Company, is located in Tracy, California, and will not use any subcontractors. Thus, the staff requests the waiver of the LBE/SLBE utilization requirements for this proposed contract award.

FISCAL IMPACT

All proposed contract expenditure allocations shall be expensed to the OPW's Bureau of Maintenance and Internal Services, Equipment Services Division Fund (4100), Equipment Services Administration System Organization (30541), Repair and Maintenance: Miscellaneous (54619). There is no minimum commitment to this contract, but it does have a contract amount

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limit of \$700,000 per year, and funds will not be committed unless funding is identified. **Table 1** outlines the proposed funding amount per project year.

Table 1

Project	Contract
Year	Amount
2025-2026	\$700,000
2026-2027	\$700,000
2027-2028	\$700,000
2028-2029	\$700,000
Total:	\$2,800,000

PUBLIC OUTREACH / INTEREST

The RFQ #312524 (Attachment A) notice was published on the City's website and issued through Oracle Sourcing. No further public outreach was necessary for this report beyond posting on the City's website.

COORDINATION

OPW Bureau of Maintenance and Internal Services, Equipment Services Division worked with the City's Controller's Bureau Purchasing Section, the City's Budget Bureau, and the City Attorney's Office in preparation of this report.

SUSTAINABLE OPPORTUNITIES

Economic: This award would require approximately \$700,000 per contract year.

Environmental: Maintaining the City's paving equipment with dealer-approved parts and service will ensure that City equipment complies with California's emission regulations.

Race & Equity: There are no race and equity opportunities associated with this report.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

This action is not a "project" under the California Environmental Quality Act ("CEQA") because it does not meet the definition of a project as outlined in Public Resources Code Section 21065 and CEQA Guidelines Section 15378 since it will not result in any direct or reasonably foreseeable indirect physical change in the environment. This action also falls under CEQA Guidelines section

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15061(b)(3) (the common sense exemption) because, based on the nature of this action, it can be seen with certainty that there is no possibility that it will have a significant effect on the environment.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt A Resolution: (1) Awarding A Contract To Nixon-Egli Equipment Company, The Lowest Responsive And Responsible Bidder In Response To RFQ #312524, To Provide Paving Equipment Parts And Repair Services In The Amount Not To Exceed Seven Hundred Thousand Dollars (\$700,000) Per Year For A Four Year Term, July 1, 2025, To June 30, 2029, For A Total Not To Exceed Contract Amount Of Two Million Eight Hundred Thousand Dollars (\$2,800,000) Over A Four Year Term; (2) Waiving The Local Business/Small Local Business Enterprise Program Utilization Requirement; (3) And Making Appropriate California Environmental Quality Act Findings.

For questions regarding this report, please contact Joseph Williams, Equipment Services Manager, at (510) 615-5489.

Respectfully submitted,

Liam Garland (Jun 23, 2025 18:23 PDT)

Liam Garland Acting Public Works Director

Reviewed by: Richard Battersby, Assistant Director Oakland Public Works, BMIS

Prepared by: Joseph Williams, Equipment Services Manager Equipment Services Division

Attachments (1):

A: RFQ 312524 Information and Bid Form