

CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, April 15, 2025
TO: CITY COUNCIL
WRITTEN BY: PW ADMINISTRATIVE SERVICES MANAGER GORDO
RECOMMENDED BY: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
APPROVED BY: TAMARA VIDES, CITY MANAGER

SUBJECT: AUTHORIZATION TO INCREASE SOLE SOURCE OPEN PURCHASE ORDER WITH COAST COUNTIES TRUCK & EQUIPMENT CO., DBA COAST COUNTIES PETERBILT, FOR AN AMOUNT NOT TO EXCEED \$180,000 PER YEAR FOR THE NEXT THREE FISCAL YEARS

RECOMMENDATION:

It is recommended that the City Council adopt a resolution authorizing an increase in the sole source open purchase order with Coast Counties Truck & Equipment Co., dba Coast Counties Peterbilt, not to exceed \$180,000 per year for the next three (3) fiscal years.

BACKGROUND:

Requesting approval increasing the sole source open purchase order with Coast Counties Peterbilt, for an amount not to exceed \$180,000 per year for the next three (3) fiscal years for equipment repair and maintenance services for the City's heavy equipment fleet.

DISCUSSION:

The City relies on external companies to provide repair and maintenance services for its fleet of backhoes, loaders, and other heavy-duty equipment. Coast Counties Peterbilt is the exclusive service provider in Northern California of the Peterbilt diesel heavy-duty repairs, and they primarily service the City's solid waste collection trucks and fire engines. The Fleet Maintenance Division relies on companies like Coast Counties to complement its efforts to ensure that the City's diesel trucks remain in proper working order. It is essential to perform timely repairs and services to protect our return on investment. Moreover, the Fleet Maintenance Division lacks the capacity to meet the service demands effectively. Therefore, staff is requesting approval for an open purchase order not to exceed \$180,000 per year with Coast Counties Truck & Equipment Co., dba Coast Counties Peterbilt for the next three (3) fiscal years.

These types of purchases fall under Section 3.5-210 of the Watsonville Municipal Code. Purchases are exempt from these requirements of this Chapter if:

c) Equipment, supplies or non-professional services are unique, available only from one source, or sought to match existing equipment or supplies already in use (also known as a sole source purchase).

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

This action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5), in that adopting a Resolution authorizing an open order with Coast Counties Peterbilt, a corporation, for fleet repair and maintenance services does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonable foreseeable indirect physical change in the environment and if a "project," is exempt under the "common sense" exception (14 Cal. Code Regs. & 15061(b)(3) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment.

STRATEGIC PLAN:

This contract is consistent with the following Strategic Plan Priorities:

2-Infrastructure & Environment

7-Efficient and Well-performing Government

FINANCIAL IMPACT:

Funds for this purchase order will be paid through the repair and maintenance account in the operational budgets of the respective groups that operate heavy equipment; these include the Water Enterprise Fund, Solid Waste Enterprise Fund, and General Fund.

ALTERNATIVE ACTION:

No reasonable alternatives are known currently.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

None