



Office of the City Manager

CONSENT CALENDAR
March 24, 2026

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Wahid Amiri, Interim Director, Public Works
Subject: Contract: Peterson Trucks, Inc. for Heavy Duty Vehicle Parts and Service

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract with Peterson Trucks, Inc. for heavy duty vehicle parts and service in an amount not to exceed \$300,000 for the term of April 1, 2026, to April 14, 2027, with the option to extend three more years.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available in the FY2026 Budget in Equipment Maintenance Fund 672. Funding for future years is subject to the Council's approval of the proposed budget and annual appropriation ordinances.

CURRENT SITUATION AND ITS EFFECTS

The Public Works Department requires ongoing access to manufacturer certified service, parts and related equipment to ensure the safe and reliable operation of the City's heavy-duty vehicles. The City has partnered with Peterson Trucks for many years to provide parts and service to support repairs to backhoes, wheel loaders, skid steers, and other equipment.

The City's competitive bidding requirements for this contract have been satisfied by using Sourcewell Contract No. 011723-CAT and No. 080124-NVS. Peterson Trucks is the local authorized dealer for Caterpillar and International Parts. The Sourcewell contracts provides access to original equipment manufacturer (OEM) parts but does not include certified service, or diagnostic and repair labor. Occasionally, repairs are beyond the scope or capacity of City staff and it is more efficient and cost effective if Peterson Trucks makes the repair using the parts they are already providing. As a result, a waiver of competitive solicitation is required to authorize service labor under these purchase orders, ensuring compliance with the City's procurement requirements and maintaining uninterrupted access to necessary manufacturer-controlled service functions.

Vehicle parts and service labor are routinely needed to maintain and repair the City's fleet.

This contract will support fleet reliability and advances the Strategic Plan goal to provide state-of-the-art, well-maintained infrastructure, amenities, and facilities.

Effective January 1, 2026, local agencies are required to satisfy noticing requirements for certain contracts for services that meet the criteria outlined in Government Code Section 3504.1 as amended by AB 339. This project does not meet the criteria in Government Code Section 3504.1 and is exempt from the noticing requirement.

BACKGROUND

The City Charter allows the City to purchase goods without undergoing a competitive bid process if the City utilizes pricing obtained by another entity through a competitive process.

On June 13, 2024, Sourcewell released request for proposals (RFP) #080124 for OEM Vehicle Parts and Supplies. The RFP was available for approximately 50 days and 15 proposals were submitted. Upon review of proposals, Sourcewell Proposal Evaluation Committee selected five proposals, one of which was Navistar, Inc. (previously International Harvester Company). On November 12, 2024, Sourcewell executed a contract with Navistar, Inc. authorizing participating agencies to purchase equipment, parts and related services through authorized dealers including Peterson Trucks.

On November 15, 2022, Sourcewell released RFP #011723 for Heavy Construction Equipment with Related Attachments and Technology. The RFP was available for approximately 63 days and 18 proposals were submitted. Upon review of proposals, Sourcewell Proposal Evaluation Committee selected 13 proposals, one of which was Caterpillar, Inc. On May 24, 2023, Sourcewell executed a contract with Caterpillar, Inc., authorizing participating agencies to purchase equipment, parts and related services through authorized dealers including Peterson Trucks.

Throughout the year, Public Works purchases parts via cooperative contracts to ensure that City departments receive the best pricing.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The City prioritizes maintaining its vehicles in the most efficient and environmentally responsible condition possible.

Timely preventive maintenance supported by using OEM parts helps extend vehicle life, minimize breakdowns, and maintain compliance with emissions standards. The use of OEM components aligns with the City's Fleet Electrification and Sustainability goals by ensuring existing vehicles remain in optimal operating condition until replacement with zero-emission alternatives becomes feasible.

RATIONALE FOR RECOMMENDATION

Purchasing OEM parts from Peterson Trucks is the most cost-effective method of maintaining the City's heavy-duty fleet. The use of genuine OEM parts ensures proper fit, performance, and warranty compliance, reducing vehicle downtime and extending the service life of existing equipment. Maintaining an adequate supply of OEM parts also ensures that Public Works can complete preventive maintenance and repair work in a timely manner, minimizing the risk of service interruptions to City operations.

Utilizing pricing obtained through Sourcewell Contract No. 011723-CAT and No. 080124-NVS satisfies the City's competitive bidding requirements and ensures the most competitive pricing available.

ALTERNATIVE ACTIONS CONSIDERED

Public Works could purchase non-OEM or aftermarket parts. However, aftermarket parts may not meet manufacturer specifications, be more expensive, and could void existing warranties or reduce vehicle performance and reliability.

CONTACT PERSON

Joy Brown, Operations Manager, Public Works, 510-981-6629

Attachment:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: PETERSON TRUCKS, INC. FOR HEAVY DUTY VEHICLE PARTS AND SERVICE

WHEREAS, original equipment manufacturer (OEM) service, parts and related equipment are needed by the City; and

WHEREAS, funding in the amount of \$300,000 is available in the Equipment Maintenance Fund 672 for FY2026, and spending in future years is subject to Council's approval of the proposed citywide budget; and

WHEREAS, this contract is exempt from the noticing requirements set forth in Government Code Section 3504.1; and

WHEREAS, on June 13, 2024, Sourcewell released request for proposals (RFP) #080124 for OEM Vehicle Parts and Supplies; the solicitation remained open fifty days and fifteen proposals were submitted; and

WHEREAS, upon review of proposals, Sourcewell Proposal Evaluation Committee selected Navistar, Inc. (previously International Harvester Company) as one of the most responsive proposers to meet the specifications, awarding Contract No. 080124-NVS; and

WHEREAS, on November 15, 2022, Sourcewell released RFP #011723 for Heavy Construction Equipment with Related Attachments and Technology; the solicitation remained open for approximately sixty-three days and eighteen proposals were submitted; and

WHEREAS, upon review of proposals, Sourcewell Proposal Evaluation Committee selected 13 proposals, the highest ranked being Caterpillar, Inc. awarding Contract No. 011723-CAT; and

WHEREAS, service is not included in the Sourcewell contracts therefore a waiver of solicitation for service is authorized; and

WHEREAS, Peterson Trucks, Inc. is an authorized dealer of genuine OEM parts, warranty support, and technical assistance to the City.

WHEREAS, for all Sourcewell contracts, the administrative fee is paid by the supplier directly to Sourcewell and is not passed on to the City.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract with Peterson Trucks, Inc. for heavy

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duty vehicle parts, service and related equipment in an amount not to exceed \$300,000 for the term of April 1, 2026 to April 14, 2027, with the option to extend three more years.

