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191460

Ordinance

Authorize Price Agreement with Peterson Machinery Company for Caterpillar parts and service not to exceed \$6,500,000

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. The Division of Asset Management CityFleet seeks Council's authorization to execute a price agreement with Peterson Machinery Company to allow for purchase of Caterpillar parts and service.
2. CityFleet owns and maintains approximately fifty (50) Caterpillar branded assets that require regular parts and service. Turn-around time is of the essence when the equipment breaks down and when service using original equipment manufacturer parts is required by warranty.
3. This is a sole source procurement and was published in accordance with Code Section 5.33.120.C, and written findings have been made by the Chief Procurement Officer under Code Section 5.33.120.A. The sole source notice was posted March 22, 2023, as BuySpeed Posting No. 00002095. No protests to the sole source notice were received.
4. Peterson Machinery Company is the manufacturer's authorized distributor in the Portland, Oregon area. The manufacturer's authorized distributor documentation issued by the manufacturer indicating the products lines and geographic areas the manufacturer has licensed to the distributor is included in the procurement file.
5. Term of the price agreement will be effective upon signature through April 30, 2028.
6. CityFleet desires to purchase Caterpillar parts and service for a total not-to-exceed price agreement amount of \$6,500,000 and the appropriation comes from the CityFleet Vehicle and Equipment

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance](#)

Contact

Alan Bates

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

September 27, 2023

Replacement fund and replacement rates charged to the bureau.

7. The Office of Management and Finance/CityFleet recommends that a price agreement with Peterson Machinery Company be authorized in the amount of \$6,500,000.

NOW, THEREFORE, the Council directs:

- A. The Chief Procurement Officer or designee is authorized to execute a price agreement with Peterson Machinery Company for a total price agreement value not to exceed \$6,500,000, provided the price agreement is approved as to form by the City Attorney's Office.
- B. The Mayor and City Auditor are hereby authorized to execute payments to Peterson Machinery Company, chargeable to CityFleet Vehicle and Equipment Replacement fund, when demand is presented and approved by the proper authorities.

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council
September 27, 2023

Auditor of the City of Portland
Simone Rede

Impact Statement

Purpose of Proposed Legislation and Background Information

CityFleet owns and maintains approximately fifty (50) Caterpillar branded assets that require regular parts and service. Turn-around time is of the essence when the equipment breaks down and when service using original equipment manufacturer parts is required by warranty.

This ordinance authorizes the Division of Asset Management CityFleet to execute a price agreement with Peterson Machinery Company to allow for purchase of Caterpillar parts and service.

Financial and Budgetary Impacts

Appropriation for the purchase of equipment parts and services are from rates that are directly charged to bureaus in the CityFleet interagency agreements when the repair is needed.

Community Impacts and Community Involvement

Not applicable.

100% Renewable Goal

Not applicable.

Budget Office Financial Impact Analysis

This action authorizes CityFleet to execute a price agreement with Peterson Machinery Company totaling \$6.5 million for City owned Caterpillar equipment. No additional appropriation is required as a result of this action, with any purchase funded via bureau rate-payers via interagency agreements as new equipment and repair is required.

Agenda Items

792 Regular Agenda in [September 20-21, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/9/20)
(<https://www.portland.gov/council/agenda/2023/9/20>)

Passed to second reading

Passed to second reading September 27, 2023 at 9:30 a.m.

813 Regular Agenda in [September 27, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/9/27)
(<https://www.portland.gov/council/agenda/2023/9/27>)

Passed

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Mayor Ted Wheeler Yea