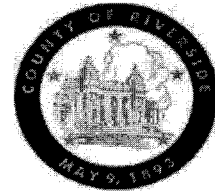


**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
3.25  
(ID # 2829)

**MEETING DATE:**

Tuesday, November 15, 2016

**FROM :** PURCHASING:

**SUBJECT:** PURCHASING: Approve Amendment No. 1 to the Agreement with Johnson Machinery for heavy equipment component reconditioning and repair services increasing the annual contract amount from \$500,000 to \$991,000. All Districts. [\$991,000 annually]; Transportation Department Budget, Flood Control District Budget, and Department of Waste Resources Enterprise Funds

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and execute Amendment No. 1 for heavy equipment component reconditioning and repair services with primary contractor Johnson Machinery Co., increasing the Agreement by \$491,000, from \$500,000 to \$991,000 through September 2018; and,
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to: sign amendments that do not change the substantive terms of the Agreement; and sign amendments to the compensation provisions that do not exceed 10% annually.

**ACTION:** Consent

*Lisa Brandl*  
Lisa Brandl, Director of Purchasing and Fleet Services 11/7/2016

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 991,000	\$ 991,000	\$ 1,982,000	\$
NET COUNTY COST	\$	\$	\$	\$
<b>SOURCE OF FUNDS:</b> Waste Resources Enterprise Funds, Transportation Department Budget, and Flood Control Budget.			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 18/19	FY16/17-

**C.E.O. RECOMMENDATION:** [CEO use]

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Ashley, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Benoit and Ashley  
Nays: None  
Absent: Tavaglione and Washington  
Date: November 15, 2016  
xc: Purchasing

Kecia Harper-Ihem  
Clerk of the Board,  
By: *[Signature]*  
Deputy

3-25

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**BACKGROUND:**

**Summary**

**BACKGROUND:**

**Summary (continued)**

Preventative maintenance programs are utilized by Riverside County Department of Waste Resources, Transportation and Land Management Agency (TLMA), and the Flood Control District for Caterpillar and other types of heavy equipment, which includes the replacement or repair of major components. The reconditioning and repair of various components assists in prolonging the life cycle use of these machines and provides an alternative to replacement of fleet equipment. Majority of the maintenance work is done by County mechanics, however, outsourcing complex rebuilds that require manufacturer mechanics is necessary.

On November 26, 2013, Agenda 3-37, the Board of Supervisors approved the contract with Johnson Machinery to assist with maintaining the County's heavy-duty fleet. TLMA, Flood Control District, and the Department of Waste Resources have purchased new Caterpillar heavy duty equipment within the last two years. It is anticipated that increased preventative services and repairs will be needed to maintain the expanded heavy duty equipment fleet that is utilized for construction projects, maintenance of roads, and landfills within the County. Projected increases in construction projects will also generate additional service and repairs.

Johnson Machinery's proximity to the participating departments' fleet services locations, and their ability to provide on-site repairs at various locations throughout the County continues to allow for a quick turnaround time and less down time for field heavy equipment services and repairs.

**Impact on Residents and Businesses**

Utilizing local contractors as much as possible will keep tax revenue within Riverside County and also provides for less travel time and cost in regards to delivery and pick-up of components and on-site repair services. Component repairs can be completed in a timely manner, resulting in less down time of machinery, which could cause delays in landfill operations, transportation maintenance, and flood control operations that may impact citizens negatively.

**SUPPLEMENTAL**

**Additional Fiscal Information**

The original estimated annual amount of \$650,000 submitted to the Board in 2013 was based on past cumulative budgeted costs for all participating departments equipment repair. For current FY2016/2017 it is anticipated that an additional accumulative amount of \$491,000 is needed for services and repairs.

- TLMA: 28%

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

- Flood Control: 30%
- Department of Waste Resources: 42%

**Contract History and Price Reasonableness**

In 2013 County Purchasing released a Request for Quote (RFQ #PUARC-1299) for Heavy Equipment Component Reconditioning and Repair, distributing solicitations to twenty four (24) companies and advertising on the County's web site; four (4) responses were received. Fleet Supervisors from TLMA, Flood Control, and Waste Management recommended Johnson Machinery as the primary contractor as it was determined that the vendor provided the best overall line item costs and labor charges.

  
\_\_\_\_\_  
Lisa Brandt, Director of Purchasing and Fleet Services 11/7/2016

COUNTY OF RIVERSIDE  
AMENDMENT NO. 1 TO THE AGREEMENT  
WITH  
JOHNSON MACHINERY CO.

Original Contract Term:	Sept 24, 2013 through Sept 23, 2018
Contract Term Extended To:	Not Applicable
Effective Date of Amendment:	Nov 15, 2016
Original Annual Maximum Contract Amount:	\$500,000
Amended Annual Maximum Contract Amount:	\$991,000
Original Contract ID:	RIVCO-92950-001-09/14
Amended Contract ID:	RIVCO-92950-001-09/18

The Agreement between County of Riverside (COUNTY) and JOHNSON MACHINERY CO. (CONTRACTOR), entered into as of September 24, 2013 is amended as follows:

1. Section 3 – Compensation: Clause 3.1: Delete the second sentence in its entirety and replace with the following: “Maximum payments by COUNTY to CONTRACTOR shall not exceed nine hundred and ninety one thousand dollars (\$991,000) annually including all expenses.”
2. Section 2.1– Delete in its entirety and replace with the following: “This Agreement shall be effective upon signature of this Agreement by both parties and continues in effect through September 23, 2018, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.”
3. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By: John J. Benoit

John J. Benoit, Chairman

Board of Supervisors

Dated: NOV 15 2016

KECIA HARPER, JHEM, Clerk

By: [Signature]

DEPUTY

JOHNSON MACHINERY CO.

By: [Signature]

Name: Larry Boardman

Title: General Service Manager

Dated: 10/31/16

RFQ# PUARC-1299  
BOS agenda # & Date  
Form #116-311 Revision Date: 01/13/2016

RIVERSIDE COUNTY DEPARTMENT OF WASTE RESOURCES  
14310 Frederick Street  
Moreno Valley, CA 92553

NOV 15 2016 3-25