

File ID: 2026-00818

4/28/2026

[Contract Amendment] Medium Duty Construction Equipment Purchases (PRC003775)

File ID: 2026-00818

Location: Citywide

Recommendation: Pass a **Motion** authorizing the City Manager or designee to execute Contract Amendment No. 1 to Contract PRC003775 with Volvo Construction Equipment & Services (VCES) for the purchase of medium duty construction equipment, increasing the contract amount by \$505,000 for a revised contract total not-to-exceed amount of \$700,000.

Contact: Stacey Chatman, Program Specialist, (916) 808-6711, schatman@cityofsacramento.org; Alison Kerstetter, Fleet Manager, (916) 808-1163, akerstetter@cityofsacramento.org; Department of Public Works

Presenter: None

Attachments:

1-Description / Analysis

2-Contract Amendment No. 1

Description/Analysis

Issue Detail: The Department of Public Works, Fleet Management Division, is responsible for procuring all fleet assets for the City. This includes vehicles and equipment scheduled for replacement during the annual replacement cycle, new assets approved through the budget adoption process, and early replacements resulting from catastrophic failure when authorized by budget.

To support timely procurement, Fleet Management maintains contracts with multiple vendors to ensure that appropriate equipment can be acquired as soon as the need for purchase is identified to keep costs as low as possible and not affect operations. One such contract is with VCES, which provides medium-duty construction equipment. Medium-duty construction equipment includes assets that fall between light- and heavy-duty categories, such as backhoe loaders, telehandlers, compact excavators, and similar equipment.

Contract PRC003775 was executed with VCES on October 20, 2025, for \$195,000 to procure specialized equipment. This contract amendment is needed to allow for other planned equipment purchases through the remaining term of the contract.

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56 and Sacramento City Code Section 3.56.240 which provides for the use of cooperative purchase agreements as an exception to the requirement for competitive bidding.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): No environmental review is necessary because the recommendations in this report involve the purchase of fleet equipment and related services which are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: In October 2025, the Fleet Management Division entered into a cooperative/piggyback agreement with VCES in the amount of \$195,000 to procure a specialized piece of equipment-an Avant Compact Wheel Loader-for the Department of Youth, Parks, and Community Enrichment (YPCE). This equipment could not be acquired through any existing contract, and the cooperative/piggyback agreement allowed Fleet to secure the purchase in a timely and cost-effective manner.

Since that time, Fleet has identified additional fleet assets available through VCES at lower prices than other contracting options. To take advantage of these cost savings and ensure adequate purchasing capacity for anticipated needs, Fleet Management is requesting authorization to execute Contract Supplement No. 1. This supplement would increase the contract's not-to-exceed amount by \$505,000, which is expected to support projected purchases, such as compressors and loaders, through the remainder of the agreement term, ending April 17, 2027. The most immediate purchase Fleet will make upon approval of this amendment is an air compressor for Pavement Maintenance which will replace Unit 11849 in the FY26 replacement cycle.

Financial Considerations: Sufficient funding exists in the Department of Public Works, Fleet Management Division, FY2025/26 Approved Operating Budget (Fleet Fund, Fund 6501) to execute the contract supplement. Purchases made after June 30, 2026, are subject to funding availability in the adopted budget of the applicable fiscal year.

Local Business Enterprise (LBE): Volvo Construction Equipment and Services is an LBE.

CONTRACT #: PRC003775
AMENDMENT #: 01
CONTRACT NAME: Medium Duty Construction Equipment Purchases
NOT TO EXCEED AMOUNT (INCLUDING SUPPLEMENTS): \$700,000

DATE: 04/28/2026
PROJECT: None
SOLICITATION: Suspension of Competitive Bidding
MOTION / DATE OR FILE ID: Motion:
Council Date: 04/28/26
File ID: 2026-00818

CITY OF SACRAMENTO

**CONTRACT AMENDMENT
CHANGE IN NOT-TO-EXCEED AMOUNT**

The City of Sacramento (“City”) and Volvo Construction Equipment & Services (VCES)(“Contractor”), as parties to that certain contract designated as Contract Number PRC003775 , including any and all prior amendments modifying the contract (the contract and all amendments are hereafter collectively referred to as the “Contract”), hereby amend the Contract as follows:

1. The maximum not-to-exceed amount that is specified in the Contract for payment of Contractor’s fees and expenses is **increased** by \$505,000, and the Contract’s maximum not-to-exceed amount is amended as follows:

Contract’s original not-to-exceed amount:	\$195,000
Net change by previous amendments:	\$ 0
Not-to-exceed amount prior to this amendment:	\$195,000
Increase by this amendment:	\$505,000
New not-to exceed amount including all amendments:	\$700,000

2. Contractor warrants and represents that the person or persons executing this contract amendment on behalf of Contractor is duly authorized by Contractor to sign this amendment and bind Contractor to the terms hereof.
3. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform as required under the Contract, as modified by this amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: 

Title: Government Sales Manager

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: 
Paul Gale (Apr 14, 2026 09:10:02 PDT)

Title: Sr. Dep City Atty

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title: