

August 2, 2022

C-12

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents including any necessary subsequent amendments, with Arizona Machinery, Inc., dba Stotz Equipment, a local distributor of John Deere Construction Retail Sales, of Moline, IL, for the purchase of a John Deere 332G Skid Steer, with related equipment and accessories, on the same terms and conditions afforded to Sourcewell (formerly the National Joint Powers Alliance), in a total amount not to exceed \$146,000, inclusive of taxes and fees. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Arizona Machinery, Inc., for the purchase of a John Deere 332G Skid Steer, including a hydraulic hammer, backhoe, sweeper broom, and other accessories. This unit is an approved Fiscal Year 2021 enhancement and will be used by the Public Works Department, Traffic Operations Division, for excavation of conduit, installation of traffic signals and streetlight foundations, and removal of construction debris.

City Council authorized the purchase of the same piece of equipment from John Deere Construction Retail Sales on February 8, 2022. However, the Financial Management Department misinterpreted the vendor's contract authority, which resulted in the inability to purchase the intended equipment off the previously authorized Council action. Arizona Machinery, Inc., the local distributor for John Deere Construction Retail Sales, has agreed to hold pricing from the previously approved purchase. The presently proposed contract will be used in lieu of the original approved contract.

The Fleet Services Bureau of the Financial Management Department researched procurement options for heavy construction equipment and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City of Long Beach (City) reviewed the cooperative agreement options and determined that the contract between Sourcewell and Arizona Machinery, Inc. provided the best value to the City. John Deere was selected based on the best value to the City.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor

with other governmental agencies. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Anita Lakhani on July 6, 2022, Business Services Bureau Manager Tara Mortensen on June 24, 2022, and by Revenue Management Officer Geraldine Alejo on June 29, 2022.

SUSTAINABILITY

The Skid Steer has a tier-4 diesel engine with advanced emissions controls, certified by the California Air Resources Board, which significantly reduces greenhouse gas, nitrous oxide, and particulate emissions.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on August 2, 2022, to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The total amount of the contract will not exceed \$146,000, inclusive of taxes and fees. This unit is budgeted in the General Fund Group in the Public Works Department. Ongoing maintenance and replacement costs for this unit are estimated at \$20,501 annually and will be billed to the General Fund Group in the Public Works Department and collected through the Fleet Services Bureau Memorandum of Understanding (MOU) process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KEVIN RIPER

DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENT – RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE AN AGREEMENT WITH
6 ARIZONA MACHINERY, INC. DBA STOTZ EQUIPMENT, A
7 LOCAL DISTRIBUTOR FOR JOHN DEERE
8 CONSTRUCTION, FOR THE PURCHASE OF A JOHN
9 DEERE 332G SKID STEER, WITH RELATED EQUIPMENT
10 AND ACCESSORIES, ON THE SAME TERMS AND
11 CONDITIONS AFFORDED TO SOURCEWELL (FORMERLY
12 THE NATIONAL JOINT POWER ALLIANCE) IN A TOTAL
13 AMOUNT NOT TO EXCEED \$146,000
14

15 WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802,
16 permits the City to purchase services, supplies, materials, equipment and labor with other
17 government agencies by purchasing under their contracts on a voluntary and selective
18 basis when authorized by resolution; and

19 WHEREAS, the City desires to purchase a John Deere 332G Skid Steer, with
20 related equipment, including a hydraulic hammer, backhoe, sweeper broom, and other
21 accessories for use by the Public Works Department, Traffic Operations Division, for
22 excavation of conduit, installation of traffic signals and streetlight foundations; and

23 WHEREAS, City Council authorized the purchase of the same piece of
24 equipment from John Deere Construction Retail Sales on February 8, 2022, however the
25 vendor was unable to execute for the intended price. Arizona Machinery, Inc. dba Stotz
26 Equipment, a local distributor of John Deere Construction Retail Sales of Moline, IL, has
27 agreed to hold pricing from the previously City Council approved purchase.

28 WHEREAS, Sourcewell (formerly the National Joint Power Alliance) has a

1 cooperative agreement with Arizona Machinery, Inc. dba Stotz Equipment providing the
2 best value to the City for the purchase of a John Deere 332G Skid Steer, with related
3 equipment and accessories (“Sourcewell Contract”); and

4 WHEREAS, the City’s participation in the Sourcewell Contract will facilitate
5 the City’s ability to purchase as well as provide considerable cost benefits to the City; and

6 WHEREAS, if the City had to utilize a formal bid process rather than
7 participate in the Sourcewell Contract, considerably more funds would be required;

8 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
9 follows:

10 Section 1. The above recitals are true and correct and are incorporated
11 herein by this reference.

12 Section 2. The City Manager or designee is hereby authorized to enter an
13 agreement with Arizona Machinery, Inc. dba Stotz Equipment, for the purchase of a John
14 Deere 332G Skid Steer with related equipment and accessories, of the same type and kind
15 identified in the Sourcewell Contract except as modified by mutual agreement of the City
16 and Arizona Machinery, Inc. dba Stotz Equipment, and the purchase by the City shall be
17 on the same terms and conditions afforded to the Sourcewell in an amount not to exceed
18 One Hundred Forty-Six Thousand Dollars (\$146,000) including taxes and fees.

19 Section 3. This resolution shall take effect immediately upon its adoption
20 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City
Council of the City of Long Beach at its meeting of _____, 2022,
by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s) Councilmembers: _____

City Clerk