### **Department of Financial Management**

CITY OF LONGBEACH

411 West Ocean Boulevard, 6<sup>th</sup> Floor Long Beach, CA 90802 562-570-6425

March 21, 2023

C-13

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 two John Deere tractors, with related equipment and accessories, on the same terms and conditions afforded to Sourcewell, in a total amount not to exceed \$536,579 inclusive of taxes and fees. (Citywide)

### DISCUSSION

City Council approval is requested to enter into a contract with Arizona Machinery, Inc., dba Stotz Equipment, for the purchase of two John Deere tractors. The proposed units will be used by the Department of Parks, Recreation, and Marine (PRM), Beach Maintenance Division (Beach Maintenance). These tractors provide critical support for the maintenance and support of the City of Long Beach's (City) beaches, especially during storm season, when large amounts of debris and sand need to be moved. These units are replacing two tractors for Beach Maintenance in the approved Fiscal Years (FY) 2021 and 2022 replacement plan, respectively. Sufficient funds have been collected for the replacement of this equipment. The current units are two years past their useful life and are becoming increasingly more expensive to maintain. Delay in replacement would likely result in increased downtime due to the corrosive nature of sand and saltwater conditions. Fully operational beach equipment is critical in protecting property and keeping the City's beaches safe.

The Fleet Services Bureau of the Department of Financial Management researched procurement options for heavy construction equipment and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed the cooperative agreement options and determined that the contract between Sourcewell and John Deere Construction Retail Sales, through their local distributor, Arizona Machinery, Inc., dba Stotz Equipment, 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

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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 March 2, 2023, Purchasing Agent Michelle Wilson on February 17, 2023, and by Revenue Management Officer Geraldine Alejo on February 27, 2023.

## SUSTAINABILITY

These new tractors are compliant with the State of California Air Quality Management District (AQMD). The engines are Tier 4/Final Stage which utilize after treatment devices to reduce particulate emissions and comply with State guidelines.

# TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on March 21, 2023, to ensure that the contract is in place expeditiously.

# FISCAL IMPACT

The total amount of the contract will not exceed \$536,579, inclusive of taxes and fees. This purchase is budgeted in the Fleet Services Fund Group in the Financial Management Department. Annual maintenance, fuel, and replacement costs for each unit are estimated at \$83,682 and will be billed to the Tidelands Operating Fund Group in the Department of Parks, Recreation, and Marine through the Fleet Services Memorandum of Understanding (MOU) process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with City Council priorities. There is no local job impact associated with this recommendation.

# SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

Kevin Ryper

KEVIN RIPER
DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENT - RESOLUTION

APPROVED:

THOMAS B. MODICA CITY MANAGER

# OFFICE OF THE CLIY ATTORNEY DAWN MCINTOSH, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach. CA 90802-4664

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#### RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT ARIZONA MACHINERY, INC. DBA STOTZ EQUIPMENT, A LOCAL DISTRIBUTOR **FOR JOHN** DEERE CONSTRUCTION RETAIL SALES, OF MOLINE, IL, FOR THE PURCHASE OF TWO JOHN DEERE TRACTORS, WITH RELATED EQUIPMENT AND ACCESSORIES, ON THE SAME TERMS AND CONDITIONS AFFORDED TO SOURCEWELL (FORMERLY THE NATIONAL JOINT POWER ALLIANCE) IN A TOTAL AMOUNT NOT TO **EXCEED \$536.579** 

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

WHEREAS, the City desires to purchase two John Deere tractors, with related equipment, (1) current model John Deere 7R210 tractor to replace existing unit (14809) and (2) current model John Deere 6R215 tractor to replace existing unit (143007), for use by the Department of Parks, Recreation and Marine, Beach Maintenance Division, to provide critical support for the maintenance of the City of Long Beach beaches, especially during storm season when large amounts of debris and sand need to be removed; and

WHEREAS, Sourcewell (formerly the National Joint Power Alliance) entered into Sourcewell Contract Number 032119-JDC with John Deere Construction Retail Sales

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which provides the best value to the City for the purchase of two John Deere tractors, with related equipment and accessories ("Sourcewell Contract"); and

WHEREAS, Arizona Machinery, Inc. dba Stotz Equipment is a local distributor of John Deere Construction Retail Sales; and

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

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

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

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

Section 2. The City Manager or designee is hereby authorized to enter an agreement with Arizona Machinery, Inc. dba Stotz Equipment, for the purchase of two John Deere tractors with related equipment and accessories, of the same type and kind identified in the Sourcewell Contract except as modified by mutual agreement of the City and Arizona Machinery, Inc. dba Stotz Equipment, and the purchase by the City shall be on the same terms and conditions afforded to the Sourcewell in an amount not to exceed Five Hundred Thirty-Six Thousand Five Hundred Seventy-Nine Dollars (\$536,579) including taxes and fees.

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

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28 /// OFFICE OF THE CITY ATTORNEY DAWN MCINTOSH, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach. CA 90802-4664

I here	eby certify that the fo	regoing resolution was adopted by the City	
Council of the City of Long Beach at its meeting of			2022,
by the following vo	te:		
Ayes:	Councilmembers:		
Noes:	Councilmembers:		
Absent:	Councilmembers:		
Recusal(s)	Councilmembers:		
		City Clerk	