#### **Department of Financial Management**



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

**C-17** 

June 6, 2023

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 Bragg Investment Company, Inc., dba Coastline Equipment, a Long Beach 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, in a total amount not to exceed \$153,097, inclusive of taxes and fees. (Citywide)

# **DISCUSSION**

# **Long Beach Recovery Act**

On March 16, 2021, the City Council adopted the Long Beach Recovery Act (LB Recovery Act), becoming one of the first major cities to approve COVID-19 recovery programs made possible through the federal American Rescue Plan Act (ARPA) and other federal and State funding sources. Additional funding adjustments to the LB Recovery Act were made as part of the Adopted Fiscal Year (FY) 2022 Budget and periodic adjustments have been brought to the City Council as needed. Additional information about the LB Recovery Act is available at <a href="https://www.longbeach.gov/recovery">www.longbeach.gov/recovery</a>. As part of the LB Recovery Act, under the Economic Recovery, Clean Cities Category, approximately \$3.9 million has been allocated for the Corridor Cleanups Program to address the increase in blight across the City of Long Beach (City) due to financial hardships that have been created by COVID-19.

City Council approval is requested to enter into a contract with Bragg Investment Company, Inc., dba Coastline Equipment for the purchase of a John Deere 332G skid steer, including a hydraulic hammer, multi-purpose bucket, planetary drive auger, pick-up broom, and cold planer. This equipment is a City Manager approved FY 2023 vehicle enhancement request and will be used by the Public Works Department, Street Maintenance Division, to support encampment cleanups, trash collection, and removal of debris. The one-time cost for this vehicle, along with operating cost for the first year of operation, will be funded by the LB Recovery Act. Subsequent years' operating costs will be covered by the General Fund in the Public Works Department.

The Fleet Services Bureau of the Department of Financial Management researched procurement options for heavy construction equipment and discovered other agencies

HONORABLE MAYOR AND CITY COUNCIL June 6, 2023 Page 2

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 its Long Beach distributor, Bragg Investment Company, Inc. dba Coastline Equipment, provided 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 Marsha Yasuda on May 16, 2023, Purchasing Agent Michelle Wilson on May 5, 2023, and by Recovery Budget Officer Dee Okam on May 17, 2023.

# **SUSTAINABILITY**

Fleet Services researched alternative fueled and zero-emission options and determined there are no viable cleaner market alternatives. 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. As with other diesel-powered equipment in the City fleet, it will be fueled with renewable diesel fuel for maximum emissions reduction.

### TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on June 6, 2023, to ensure that the contract is in place expeditiously.

#### FISCAL IMPACT

The total amount of the contract will not exceed \$153,097, inclusive of taxes and fees and will be funded through the Corridor Cleanups Program of the LB Recovery Act. Sufficient funding for the purchase is currently budgeted in the General Fund Group in the Public Works Department. For administration efficiency and for reporting and auditing purposes, the funding source for this program is the General Fund based on funds made available as a result of the City's approach to using the majority of federal ARPA funds to maintain existing City services in compliance with the U.S. Department of Treasury's Final Rule, thereby freeing up General Fund monies for the LB Recovery Act programs. Ongoing maintenance, fuel, and replacement costs for this unit are estimated at \$22,208 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. The first year of operational expenses will also be funded with LB Recovery Act funds. Subsequent years' costs will be covered by the General Fund in the Public Works

HONORABLE MAYOR AND CITY COUNCIL June 6, 2023 Page 3

Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This recommendation will continue to provide support to our local economy by assisting in the preservation of employment for 75 full-time employees residing in Long Beach.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KEVIN RIPER DIRECTOR

Kein Ryes

FINANCIAL MANAGEMENT

ATTACHMENT - RESOLUTION

APPROVED:

THOMAS B. MODICA CITY MANAGER

# OFFICE OF THE CITY 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, AND ANY NECESSARY DOCUMENTS INCLUDING SUBSEQUENT AMENDMENTS, WITH BRAGG INVESTMENT COMPANY, INC., DBA COASTLINE EQUIPMENT, A LONG BEACH DEERE CONSTRUCTION DISTRIBUTOR OF JOHN RETAILS SALES, FOR THE PURCHASE OF A JOHN DEERE 332G SKID STEER, WITH RELATED EQUIPMENT AND ACCESSORIES, ON THE SAME TERMS AND CONDITIONS THROUGH THEIR CONTRACT WITH SOURCEWELL IN AN AMOUNT NOT TO EXCEED \$153,097, INCLUDING TAXES AND FEES

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 a John Deere 332G Skid Steer, including a hydraulic hammer, multi-purpose bucket, planetary drive auger, rigid pick-up broom, and cold planer, which is a City Manager approved FY2023 vehicle enhancement request and will be used by the Public Works Department, Street Maintenance Division, to support homeless encampment cleanups, trash collection, and removal of debris; and

WHEREAS, Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to its members;

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WHEREAS, Sourcewell entered into Contract No. 032119-JDC with John Deere Construction Retail Sales for the purchase of a John Deere 332G Skid Steer, with related equipment and accessories ("Sourcewell Contract"); and

WHEREAS, the cooperative agreement options were reviewed and it was determined that the contract between Sourcewell and John Deere Construction Retail Sales provided the best value for the City; and

WHEREAS, Bragg Investment Company, Inc. dba Coastline 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 into an agreement with Bragg Investment Company, Inc. dba Coastline Equipment to purchase a John Deere 332G Skid Steer, including a hydraulic hammer, multi-purpose bucket, planetary drive auger, rigid pick-up broom, and cold planer, of the same type and kind identified in the Sourcewell Contract except as modified by mutual agreement of the City and Bragg Investment Company, Inc. dba Coastline Equipment, and the purchase by the City shall be on the same terms and conditions afforded to Sourcewell in an amount not to exceed One Hundred Fifty Three Thousand Ninety-Seven Dollars (\$153,097) including tax 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.

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

I here	by certify that the fore	egoing resolution was adopted by the	e City Counci
of the City of Long Beach at its meeting of			2023, by the
following vote:			
Ayes:	Councilmembers:		
Noes:	Councilmembers:		
Absent:	Councilmembers:		
Recusal(s):	Councilmembers:		_
		City Clerk	