



Legislation Text

File #: 22-0877, **Version:** 1

Recommendation to adopt resolution authorizing 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)

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.

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.

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.

Approve recommendation.

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KEVIN RIPER
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER