



CITY OF LONG BEACH

C-10

DEPARTMENT OF FINANCIAL MANAGEMENT

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August 18, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB LB15-149 and authorize the City Manager to execute a contract with Allied Refrigeration, Inc., of Signal Hill, CA., to furnish and deliver as-needed Heating, Ventilation and Air Conditioning (HVAC) parts and supplies, in an annual amount not to exceed \$250,000, for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Allied Refrigeration, Inc., for furnishing and delivering HVAC parts and supplies necessary for the repair, replacement and maintenance of various City facilities. This Citywide contract will be utilized by various departments, including Long Beach Airport, Disaster Preparedness and Emergency Communications, Financial Management, Fire, Gas and Oil, Harbor, Public Works and Water.

Historically, spending has averaged \$133,000 per year; however, an increase in spending is anticipated due to the addition of Long Beach Airport, Disaster Preparedness and Emergency Communications, and Financial Management's Fleet Services Bureau to the contract, the aging equipment, summer maintenance, the unpredictability of breakdowns, and the backlog of pending repairs. The Public Works' Public Service Bureau has recently taken on the added responsibility to provide HVAC maintenance at the following large facilities: Environmental Services Bureau, the Main Health Department, the Expo Building on Atlantic Avenue and, eventually, the new police substation at Schroeder Hall; thus, the annual contract amount has increased by 88 percent. This award represents the combined annual requirements as estimated by various City department users.

The bid was advertised in the Press-Telegram on June 27, 2015, and 3,873 potential bidders specializing in HVAC parts & supplies were notified of the bid opportunity. Of those bidders, 18 downloaded the bid via our electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. One bid was received on July 9, 2015. The

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bidder is not a Minority-owned Business Enterprise (MBE), a Women-owned Business Enterprise (WBE), is a certified Small Business Enterprise (SBE), and is not a Long Beach business (Local). Allied Refrigeration, Inc., of Signal Hill, CA (SBE; not an MBE, WBE, DBE or Local), was the lowest responsible bidder.

Local Business Outreach

In effort to align with our outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 356 Long Beach vendors were notified to submit bids, of which one downloaded and none submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed Deputy City Attorney Amy R. Webber on July 20, 2015 and by Budget Management Officer Victoria Bell on July 27, 2015.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB LB15-149 and award a contract concurrently is requested on August 18, 2015, to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The cost of this contract, in the estimated annual amount not to exceed \$250,000, is budgeted in various departments and funds. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 13 full-time employees and one part-time employee residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER