

# **CITY OF LONG BEACH**

DEPARTMENT OF FINANCIAL MANAGEMENT

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September 19, 2006

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

### **RECOMMENDATION:**

Adopt Specifications No. PA-01206 and award contracts to Specialized Environmental, Inc., Vizion's West, Inc., Universal Abatement Services, Asbestos Instant Response, Inc., and Watson Painting Corporation for Lead-Based Paint Removal and Control, in the total estimated annual amount of \$500,000 for the period of one year, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

# DISCUSSION

City Council approval is being requested to enter into annual contracts for the removal and control of lead-based paint to ensure Housing and Urban Development (HUD) compliance and allow the abatement project bidding to proceed expeditiously.

The City's Department of Health and Human Services has received \$3 million in grant funds from the U.S. Department of Housing and Urban Development (HUD), Office of Healthy Homes and Lead Hazard Control. The grant provides funding for up to \$1,777,408 for the control of lead-based paint hazards within affordable housing occupied by low-income residents. Funding also includes grant support such as tenant relocation, lab analysis, health education and risk assessment.

On December 23, 2003, contracts were awarded to Vision Environmental Construction Services, Environmental Assessment and Remediation Management, Inc., New Vision Construction and Vizion's West, Inc., for lead-based paint removal and control. For various reasons, all but one contractor chose not to renew their contract. As a result, the Health Department, with the assistance of the Purchasing Division, went back out to bid to increase the contractor bid pool.

The bid was advertised on June 28, 2006, and 47 potential bidders specializing in lead abatement services were notified of the bid opportunity; 12 are Minority-owned Business Enterprises (MBEs), three are Women-owned Business Enterprises (WBEs), six are Long Beach businesses, and four are certified Small Business Enterprises (SBEs). The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at <a href="www.lbpurchasing.org">www.lbpurchasing.org</a>. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 32 local, minority and women's business groups. Bids were opened on August 9, 2006. Specialized Environmental, Inc., (MBE) of Whittier, CA, Vizion's West, Inc., of Quail Valley, CA, Universal Abatement Services (MBE/SBE) of Los Angeles, CA, Asbestos Instant Response, Inc., of Los Angeles, CA, and Watson Painting Corporation (MBE) of Riverside, CA, are the lowest responsible bidders.

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The specifications enable City staff to request these five contractors to submit bids on individual lead-hazard control project as they become available. Individual project awards will be based on the lowest competitive bid for each project. This direction enables the City to increase the contractor pool in order to comply with HUD grant timelines and to obtain the lowest possible price for each project.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on June 13, 2006 and Budget Management Officer David Wodynski on September 5, 2006.

## TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01206 and award contracts concurrently is requested on September 19, 2006 to ensure HUD compliance and allow the abatement project bidding to proceed expeditiously.

#### FISCAL IMPACT

The cost of this contract, in the estimated annual amount of \$500,000, will be financed by the Housing and Urban Development, Office of Healthy Homes and Lead Hazard Control, grant funds. Sufficient funds are budgeted in the Health Fund (SR 130) in the Department of Health and Human Services (HE). The City will have the option of adding expenditures up to 10 percent above each contract amount.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

MICHAEL A. KILLEBREW

DIRECTOR OF FINANCIAL MANAGEMENT

MK:JV:LW

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APPROVED:

GERALD R. MILLER CITY MANAGER