

# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

**R-25** 

333 West Ocean Boulevard 6th Floor

Long Beach, CA 90802

(562) 570-6845

Fax (562) 570-5836

February 13, 2007

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Adopt Specifications No. PA-01407 and award a contract to Eveready Industrial Services, Inc., doing business as Eveready Marine Services, to provide dredging services at the Catalina terminals, in the estimated amount of \$1,100,000 for a period of 120 days, with the option for as-needed extensions at the discretion of the City Manager; and increase appropriations in the Tidelands Fund in the Department of Parks, Recreation and Marine by \$1,100,000. (District 2)

## DISCUSSION

City Council approval is requested to enter into a contract to provide dredging services at the Catalina terminals. The Department of Parks, Recreation and Marine (PRM) contracted with Tetra Tech, Inc., a coastal engineering firm, to provide dredging expertise and provide detailed specifications for the requested services. The City is required to maintain the ship basin at the Catalina terminals at its design depth of 15 feet below Mean Lower Low Water (MLLW), as a part of the lease with A. C. Catalina, the current lessee of the Catalina terminals. Issues related to the City's responsibilities for dredging were disputed with the lessee, and the City Council approved the settlement on January 23, 2007, which contained the City's responsibility for maintaining the basin. The current depth is less than the specified standard.

The bid was advertised on December 15, 2006, and 15 potential bidders specializing in dredging services chose to download the bid; two are Minority-owned Business Enterprises (MBEs), none are Women-owned Business Enterprises (WBEs), four are Long Beach businesses, and one is a certified Small Business Enterprise (SBE). The bid document was made available from the Purchasing Division of the Department of Financial Management, located on the Plaza Level of City Hall, and the Division's website at <a href="https://www.longbeach.gov/purchasing">www.longbeach.gov/purchasing</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 January 7, 2007. Eveready Industrial Services, Inc., dba Eveready Marine Services, of Houston, Texas, is the lowest responsible bidder.

This item was reviewed by Deputy City Attorney Lori A. Conway on December 7, 2006, and Performance Management and Budget Bureau Manager David Wodynski on February 6, 2007.

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# TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01407 and award a contract concurrently is requested on February 13, 2007, in order to satisfy the previously referenced legal settlement with A. C. Catalina, which requires that the City undertake dredging operations for a period of 120 days.

## FISCAL IMPACT

The cost of this contract, in the estimated amount of \$1,100,000, is not budgeted; therefore, an appropriations increase to be paid from existing fund balance is included in the recommended actions in the Tidelands Fund (TF) in the Department of the Parks, Recreation and Marine (PRM). The City will have the option of adding expenditures up to 25 percent (or \$275,000) above the contract amount.

### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

MICHAEL A. KILLEBREW

DIRECTOR OF FINANCIAL MANAGEMENT

PHIL T. HESTER

DIRECTOR OF PARKS, RECREATION AND MARINE

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APPROVED:

Christine J. Shipping GERALD R. MILLER