



February 16, 2010

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Adopt Plans and Specifications No. G-270 for gas main and service line replacement; authorize the City Manager to execute a contract with ARB, Inc. in an amount not to exceed \$3,034,976 plus a 10 percent contingency, as necessary, to address unforeseen issues related to the construction of this project. (Citywide)

**DISCUSSION**

The Long Beach Gas and Oil Department (LBGO) is involved in a Capital Improvement Program to replace aging infrastructure for its natural gas utility. The work will be done on various streets throughout the city and consists primarily of reconstructing portions of the underground natural gas pipeline distribution system. This recommendation is to establish the contract for an outside contractor to perform main and service line replacements during Fiscal Year 2010. The materials and supplies required for the project will be purchased by LBGO under separate material and supply contracts. This contract is funded out of the Gas Fund's infrastructure replacement budget. In accordance with the California Environmental Quality Act, Categorical Exemption Number CE-70-09 has been issued for this project.

An invitation to bid was advertised in the Press-Telegram once a week for two consecutive weeks on November 20, 2009 and November 27, 2009. The bid document was made available from the City's Purchasing Division website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). Eleven potential bidders attended the Bidder's Conference on January 7, 2010 and eight bids were received and publicly opened on January 14, 2010. Of these eight bidders, one is a Minority-owned Business Enterprise (MBE), none were Woman-owned Business Enterprises (WBEs), none were Small Business Enterprises (SBEs) and none were Long beach businesses. ARB, Inc., of Lake Forest, CA (not a WBE, MBE, SBE, or a Local) is the lowest responsible bidder. Information regarding the bid and ARB, Inc., is available in the contract award document (Schedule "A").

Local Business Outreach

In a continuing effort to increase participation of the Long Beach businesses, bids were sent to trade publications catering to the Construction industry. In addition, we reviewed other local resources in order to find local contractors but were unable to find a contractor that specialized in the construction of natural gas lines replacement. Our outreach goal during the bid process is to encourage Long Beach businesses to take advantage of local preferences offered by the City and submit bids for the City contracts.

This matter was reviewed by Deputy City Attorney Richard Anthony on January 26, 2010, and Budget and Performance Management Bureau Manager David Wodynski on January 27, 2010.

TIMING CONSIDERATIONS

City Council action is requested on February 16, 2010, to authorize commencement of this project. Construction is anticipated to begin in February 2010 and should take approximately 135 business days to complete construction work.

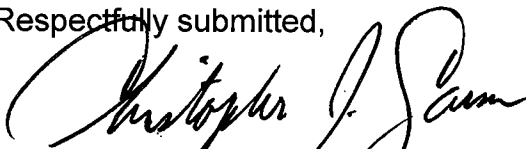
FISCAL IMPACT

The contract award is for an amount not to exceed \$3,034,976 plus a contingency amount of \$303,497 (10 percent). The required funding is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (EN). There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:PSG  
CCL 2-16-10.G-270 CONTRACT.DOC

Attachment: Schedule "A"

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

**SCHEDULE "A"**

Recommended Contract Awards For February 16, 2010

<u>PROJECT NUMBER</u>	<u>DESCRIPTION</u>	<u>FUNDING SOURCE</u>	<u>LOWEST RESPONSIVE BIDDER/LOCATION</u>	<u>AWARD AMOUNT</u>
G-270	REPLACEMENT OF GAS MAINS AND SERVICE LINES (CITYWIDE)	GAS CAPITAL FUND (EF 301)	ARB, INC. 26000 COMMERCENTRE DRIVE LAKE FOREST, CA 92630	\$3,034,976 \$303,497 (Contingency)

There were eleven Plans and Specifications sold. Eight bids were received, one from Minority-owned Business and none from WBEs or SBEs.

Richard Anthony, Deputy City Attorney, approved the Plans and Specifications on November 10, 2009.

**PROCUREMENT OUTREACH:** Advertisements were placed in the Press – Telegram. In a continuing effort to increase participation of Long Beach businesses, MBEs, and WBEs, bids for construction projects exceeding \$100,000 are sent to trade publication catering to the Construction industry.