

C-13

October 1, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 33937 with Phillips Steel Company, of Long Beach, CA, for furnishing and delivering fusion-bonded epoxy-coated steel pipe, to extend the term of the contract for an additional one-year period through August 19, 2020.(Citywide)

DISCUSSION

City Council approval is requested to amend Contract No. 33937 with Phillips Steel Company (Phillips), to extend the term of the contract through August 19, 2020.

On August 11, 2015, the City Council awarded a contract to Phillips, for furnishing and delivering fusion-bonded epoxy-coated steel pipe, in an annual amount of \$850,000, for a period of two years with the option to renew for two additional one-year periods. The Energy Resources Department (Energy Resources) estimates that 50 percent of the annual purchases will continue to be allocated to projects performed by Energy Resources upon request of other agencies and be reimbursed for the work.

The extension to the contract term is needed to avoid disruption to the completion of upcoming projects, with no additional contract authority requested. Energy Resources is currently in the process of developing a new master plan that will incorporate all new steel natural gas pipeline specifications. Due to the new master plan, Energy Resources will initiate a procurement process for new specifications in FY 20.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and Purchasing Agent Tara Yeats on September 5, 2019, and by Revenue Management Officer Geraldine Alejo on September 12, 2019.

TIMING CONSIDERATIONS

City Council action requested on October 1, 2019, to ensure the contract extension is in place expeditiously.

FISCAL IMPACT

The requested amendment will extend the contract term for a one-year period through August 19, 2020. No additional contract authority is requested as part of the amendment. The total not to exceed contract amount will remain at \$3,400,000 and is currently budgeted in the Gas Fund Group in the Energy Resources Department. The contract includes projects that the department will perform upon request of other agencies and be reimbursed for the work. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The extension of this contract will provide continued support to our local economy by assisting in the preservation of employment for 30 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT DOWELL
DIRECTOR OF LONG BEACH ENERGY RESOURCES

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER