



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-7

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September 3, 2013

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt Specifications No. PA-05513 and award a contract to Phillips Steel Company, a Long Beach-based business (Local; not an MBE, WBE or SBE), for furnishing and delivering steel and related metals, in an annual amount not to exceed \$150,000, 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 an annual contract with Phillips Steel Company for furnishing and delivering steel and related metals to be used by the Departments of Airport, Fire, Gas and Oil, Harbor, Parks, Recreation and Marine, Public Works and Water. The Departments use the steel and related metals in a variety of ways to perform their daily job functions. Harbor uses it to fabricate parts, brackets and supports used in maintenance of equipment; Fire uses it for tool racks, shelving for tools on the engines and miscellaneous repair projects as required; and, Fleet uses it for maintenance of vehicles, equipment, etc.

The bid was advertised in the Press-Telegram on June 30, 2013, and 2,246 potential bidders specializing in steel and metals were notified of the bid opportunity. Of those bidders, 35 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](http://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. Two bids were received on July 11, 2013. Of those two bidders, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and both were Long Beach businesses (Local). Phillips Steel Company, a Long Beach-based business (Local; not an MBE, WBE or SBE), was the lowest responsible bidder.

### **Local Business Outreach**

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division assists businesses with registering on the Bids Online database to download bid specifications. Through outreach, 223 Long Beach vendors were notified to submit bids, of which three downloaded and two 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 by Deputy City Attorney Amy R. Webber on August 19, 2013 and by Budget Management Officer Victoria Bell on August 13, 2013.

### **TIMING CONSIDERATIONS**

City Council action to adopt Specifications No. PA-05513 and award a contract concurrently is requested on September 3, 2013 to ensure that the contract is in place expeditiously.

### **FISCAL IMPACT**

The not to exceed annual amount of \$150,000 is budgeted in various funds of various City departments. The award of this contract will provide continued support to our local economy by assisting in the preservation of 17 full-time employees residing in Long Beach with employment.

### **SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



**JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT**

**APPROVED:**

  
**PATRICK H. WEST  
CITY MANAGER**