



February 17, 2009

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Adopt Plans and Specifications No. G-260 for gas main and service line replacement; authorize the City Manager to execute a contract with ARB, Inc. in an estimated amount of \$2,913,385 plus a 10 percent contingency if necessary. (Citywide)

**DISCUSSION**

The Long Beach Gas and Oil Department (LBGO) is engaging in a six-year 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 for Fiscal Year 2009. The materials and supplies required for the project will be purchased by LBGO under separate material and supply contracts. The estimated cost of the total project, including the outside contractor, materials and supplies, and in-house labor is estimated at \$3.91 million.

City Council adoption of both the plans and specifications and the award of the contract are being recommended concurrently to expedite project implementation. The project was advertised for bids on December 5, 2008 and bids were opened on January 14, 2009. Information regarding the bid and ARB, Inc. is available on the attached contract award document.

This matter was reviewed by Deputy City Attorney Richard Anthony and Budget Management Officer Victoria Bell on January 27, 2009.

In accordance with the California Environmental Quality Act, this project is categorically exempt.

TIMING CONSIDERATIONS

City Council action is requested on February 17, 2009, to authorize commencement of this project. Construction is anticipated to begin in February 2009 and should take approximately 135 business days to complete.

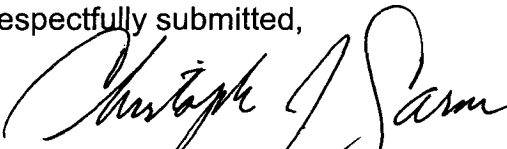
FISCAL IMPACT

The contract award is for an estimated amount of \$2,913,385 plus a contingency amount of \$291,339 and additional material and labor costs of \$700,000. The required funding for the entire project is budgeted in the Gas Fund (EF 301) and in the Long Beach Gas and Oil Department (EN). There is no General Fund impact, as this project will be paid from Gas Funds reserved for CIP projects, as well as the commercial paper proceeds program that was approved by City Council on July 12, 2005.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

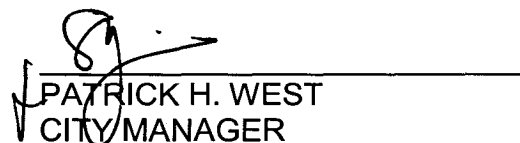


CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:PSG  
CCL 2-17-09 G-260 CONTRACT.DOC

Attachment

APPROVED:



PATRICK H. WEST  
CITY MANAGER

Recommended Contract Awards For February 17, 2009

<u>PROJECT NUMBER</u>	<u>DESCRIPTION</u>	<u>FUNDING SOURCE</u>	<u>LOWEST RESPONSIVE BIDDER/LOCATION</u>	<u>AWARD AMOUNT</u>
G-260	REPLACEMENT OF GAS MAINS AND SERVICE LINES (CITYWIDE)	GAS CAPITAL FUND COMMERCIAL PAPER OR BOND	ARB, INC. 26000 COMMERCENTRE DRIVE LAKE FOREST, CA 92630	\$2,913,385 \$291,339 (Contingency)

There were seven Plans and Specifications sold. Six bids were received, two from Minority-owned Business and none from WBEs.

Richard Anthony, Deputy City Attorney, approved the Plans and Specifications on November 20, 2008.

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The above is a construction project, which will be increased by \$700,000 above the award amount to cover in-house labor and material costs with no further City Council Actions.

**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.