



DEPARTMENT

CHRISTOPHER J. GARNER  
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www.lbgo.org

March 9, 2010

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

**RECOMMENDATION:**

Adopt Plans and Specifications No. G-271 for gas main and service line relocation; authorize the City Manager to execute a contract with ARB, Inc., in an amount not to exceed \$1,862,328 plus a 15 percent contingency, as necessary, to address unforeseen issues related to the construction of this project. (Citywide)

**DISCUSSION**

The Plans and Specifications include five separate projects, two within Port of Long Beach (POLB) jurisdiction, and three citywide. To accommodate port expansion, it is necessary to relocate various elements of the natural gas infrastructure. This work is estimated to cost \$1,131,688 and will be paid by POLB through a reimbursement agreement. The other work will be done on streets throughout the city and allows for storm drain construction and replacement of portions of the aging natural gas pipeline distribution system. All work will be done by ARB, Inc., and managed by Long Beach Gas and Oil Department (LBGO). The materials and supplies required for the projects will be purchased under separate contracts. In accordance with the California Environmental Quality Act, Categorical Exemption Number CE-05-10 has been issued for this project. City Council adoption of both the plans and specifications and the award of the contract are being recommended concurrently to expedite project implementation.

An invitation to bid was advertised in the Press-Telegram on December 28, 2009. 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). Six potential bidders attended the Bidder's Conference on January 13, 2010 and three bids were received and publicly opened on January 21, 2010. Of those three bidders, one is a Minority-owned Business Enterprise (MBE), none are Woman-owned Business Enterprises (WBEs), none are Small Business Enterprises (SBEs), and none are 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").

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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 a local contractor but there were no local contractors that specialize in the construction or relocation of natural gas pipelines. 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 February 19, 2010 and Budget Management Officer Victoria Bell on February 17, 2010.

TIMING CONSIDERATIONS

City Council action is requested on March 9, 2010, to authorize commencement of this project. Construction is anticipated to begin in April 2010 and work should be complete by September 2010.

FISCAL IMPACT

The contract award is for an estimated amount of \$1,862,328 plus a contingency amount of \$279,349. Funding for the portion of the work being done in the port area (\$1,131,688) will be reimbursed by the POLB. The required funding for the entire project is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (EN). There is no General Fund impact.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:SCB  
CCL 3-09-10.G-271 CONTRACT.DOC

Attachment: Schedule "A"

APPROVED:

  
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PATRICK H. WEST  
CITY MANAGER

**SCHEDULE "A"**

Recommended Contract Awards For March 9, 2010

<u>PROJECT NUMBER</u>	<u>DESCRIPTION</u>	<u>FUNDING SOURCE</u>	<u>LOWEST RESPONSIVE BIDDER/LOCATION</u>	<u>AWARD AMOUNT</u>
G-271	RELOCATION OF NATURAL GAS PIPELINES (CITYWIDE)	GAS CAPITAL FUND (EF 301)	ARB, INC. 26000 COMMERCENTRE DRIVE LAKE FOREST, CA 92630	\$1,862,328 \$279,349 (Contingency)

There were eleven Plans and Specifications distributed. Three bids were received, one from a Minority-owned Business and none from WBEs, SBEs or Local.

Richard Anthony, Deputy City Attorney, approved the Plans and Specifications on November 23, 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.