

# **CITY OF LONG BEACH**

R-24

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

July 9, 2013

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### **RECOMMENDATION:**

Adopt Specifications No. PA-03213 and award a contract to Sully-Miller Contracting Company, of Brea, CA (not an MBE, WBE, SBE or Local), for furnishing and delivering of asphalt concrete, in an annual amount not to exceed \$840,000, 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 Sully-Miller Contracting Company, for furnishing and delivering of asphalt concrete to be used by the Departments of Gas and Oil, Parks, Recreation and Marine, Public Works, and Water for street and pothole repairs, and on various Citywide construction projects.

The bid was advertised in the Press-Telegram on May 4, 2013, and 1,517 potential bidders specializing in asphalt concrete were notified of the bid opportunity. Of those bidders, 32 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. 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 May 21, 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 none were Long Beach businesses (Local). Sully-Miller Contracting Company, of Brea, CA (not an MBE, WBE, SBE or Local), 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, 147 Long Beach vendors were notified to submit bids, of which none downloaded or 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 June 6, 2013 and Budget Management Officer Victoria Bell on June 14, 2013.

### TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-03213 and award a contract concurrently is requested on July 9, 2013 to ensure that the contract is in place expeditiously.

#### FISCAL IMPACT

The annual not to exceed cost of this contract is \$840,000. Of that amount, \$260,000 is budgeted in the General Fund (GP) in the Department of Public Works (PW); \$125,000 in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO); \$5,000 in the General Fund (GP) in the Parks, Recreation & Marine Department (PR); and, \$450,000 in the Water Fund (EF 310) in the Water Department (WA). The award of this contract will provide continued support to our local economy by assisting in the preservation of 14 full-time employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:

PATRIČÍK H. WEST CITY MANAGER