



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

**C-9**

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

December 20, 2005

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt specifications No. PA-00506 and award contracts to GP Resources, Inc., and Rosemead Oil Products, Inc., for furnishing and delivering petroleum products, in the estimated annual amount of \$152,000 for the period of one year, with the option of renewing for two additional one-year periods, at the discretion of the City Manager. (Citywide)

## DISCUSSION

City Council approval is being requested to enter into contracts for furnishing and delivering petroleum products. Petroleum products include oils, lubricants and solvents that are required to support City-owned equipment and vehicles.

The bid was advertised on November 28, 2005, and 18 potential bidders specializing in petroleum products were notified; two are Minority-owned Business Enterprises (MBEs), three are Women-owned Business Enterprises (WBEs), and two are Long Beach businesses. The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at [www.lbpurchasing.org](http://www.lbpurchasing.org). A bid announcement was also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 32 local, minority, and women's groups. Bids were opened on December 1, 2005. GP Resources, Inc., of Rancho Dominguez, and Rosemead Oil Products, Inc., of Santa Fe Springs, CA, were the lowest responsible bidders.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on November 7, 2005 and Budget Management Officer David Wodyski on December 8, 2005.

## TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-00506 and award the contracts concurrently is requested on December 20, 2005 to ensure that the contracts are in place prior to the expiration of the current contract. The contracts will have a start date of January 19, 2006, which is the expiration date of the old contract.

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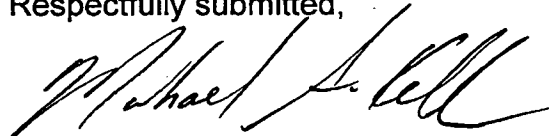
FISCAL IMPACT

The cost of the contracts, in the estimated amount of \$135,000 annually, is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW), plus \$3,500 in the Harbor Operations Fund (HR) in the Harbor Department (HA) and \$14,000 in the Water and Sewer Funds (EF) in the Water Department (WA). The annual amount is based on historical expenditures and reflects a slight increase from the amount awarded in the previous contract due to the increased cost of materials. The term of the contract will be one year with the option for two additional one-year periods. The City will have the option of adding expenditures up to 10 percent above the contract amount.

SUGGESTED ACTION:

Approve recommendation.

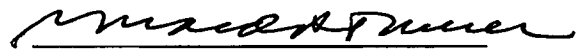
Respectfully submitted,



MICHAEL A. KILLEBREW  
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:

  
GERALD R. MILLER  
CITY MANAGER