

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-9

333 West Ocean Boulevard 6th Floor

Long Beach, CA 90802

(562) 570-6845

Fax (562) 570-5836

December 6, 2011

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Adopt Specifications No. PA-03611 and award contracts to West-Lite Supply Company, Inc., of Cerritos, CA (not an MBE, WBE, SBE or Local), and Vertex Electrical Wholesale, a Long Beach-based business (not an MBE, WBE, or SBE), for furnishing and delivering lamps and lighting fixtures, in a combined annual amount not to exceed \$160,000 for a period of one-year, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is being requested to enter into annual contracts with West-Lite Supply Company, Inc., and Vertex Electrical Wholesale for furnishing and delivering lamps and lighting fixtures. A split award is recommended to ensure that the City is provided with the lowest pricing and that availability of the required inventory is provided to the City. The requested contract amount of \$160,000 will support the combined annual requirements of all user departments Citywide. \$128,000 will be awarded to West-Lite Supply Company, Inc., and \$32,000 will be awarded to Vertex Electrical Wholesale to provide items that were not available from West-Lite Supply Company, Inc. This amount includes the high costs of rare-earth materials used to manufacture lamps and lighting fixtures.

The bid for lamps and lighting fixtures was advertised in the Press-Telegram on August 12, 2011, and 244 potential bidders specializing in electrical supplies were notified. Of those bidders, 42 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's business groups. Three bids were received on August 23, 2011. Of those three bidders, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and two were Long Beach businesses (Local). West-Lite Supply Company, Inc., of Cerritos, CA (not an MBE, WBE or SBE), and Vertex Electrical Wholesale of Long Beach, CA (Local), are the lowest responsible bidders.

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Local Business Outreach

In an effort to align with our outreach goal, we solicited Long Beach businesses to take advantage of the local preference offered by the City and to encourage them to submit bids for City contracts. We also assisted businesses with registering on our Bids Online database to download the bid specifications. Through outreach, ten Long Beach vendors were contacted to submit bid; of which three downloaded the bid, 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 November 8 2011 and Budget Management Officer Victoria Bell on November 14, 2011.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-03611 and award contracts concurrently is requested on December 6, 2011 to ensure that new contracts are in place expeditiously.

FISCAL IMPACT

The cost of these contracts is a combined annual amount not to exceed \$160,000. This is currently budgeted in various departments and funds and reflects a 20 percent decrease from the previous contract. The award of these contracts will provide continued support to our local economy by assisting in the preservation of five 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:

PATRICK H. WEST CITY MANAGER