



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

R-20

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May 9, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. R-7039 and award a contract to Exbon Development, Inc., of Garden Grove, CA, for minor repairs and improvements to streets, alleys and publicly-owned properties, in an annual amount not to exceed \$9,600,000, for a period of one year, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into a contract, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Exbon Development Inc. (Exbon), for minor improvements to streets, alleys, and publicly-owned properties such as parks, playgrounds, beaches and the Long Beach Airport.

The contract was bid based on an estimated value of work anticipated during the 12-month contract period. This contract allows the City to adjust the quantity of work according to need and budgetary considerations. This is an on-call contract for work to be performed by Exbon per individual work orders issued by the City. Payment will be made based on the amount of work orders issued by the City and fully completed by Exbon within the specified period. Work orders will not exceed \$9,600,000 annually.

Work orders will be issued as various City departments identify available funding for repairs and improvements. Through coordination with various departments, the following estimated annual contract needs were used to determine the contract award amount:

Public Works	\$4,000,000
Airport	\$2,000,000
Development Services	\$1,000,000
Gas and Oil	\$2,000,000
Parks, Recreation and Marine	<u>\$600,000</u>
Total	\$9,600,000

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The bid was advertised in the Long Beach Press-Telegram on October 11, 2016, and 4,170 potential bidders specializing in minor repair and improvement services were notified of the bid opportunity. Of those bidders, 63 downloaded the bid via the City's electronic bid system. The bid documents were made available by the Purchasing Division, located on the seventh floor of City Hall, and on 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 22 local, minority and women-owned business groups. Six bids were received on November 2, 2016. Of those six bidders, none were Women-owned Business Enterprises (WBEs) or Disadvantaged Business Enterprises (DBEs), two were Minority-owned Business Enterprises (MBEs), one was a certified Small Business Enterprise (SBE), and one was a Long Beach business (Local). Exxon Development, Inc., of Garden Grove, CA (MBE), was the lowest responsible bidder.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download the bid specifications. Through outreach, 372 Long Beach vendors were notified to submit bids, of which four downloaded and one 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 Linda T. Vu on April 13, 2017 and by Budget Analysis Officer Julissa Jose-Murray on April 26, 2017.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. R-7039 and award a contract concurrently is requested on May 9, 2017, to ensure the contract is in place expeditiously.

FISCAL IMPACT

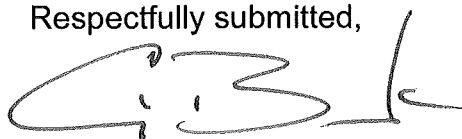
The total annual cost of the contract is a not to exceed amount of \$9,600,000. The requested contract authority is estimated based on current and anticipated projects within the Departments of Public Works (PW), Airport (AP), Development Services (DV), Gas and Oil (GO), and Parks, Recreation and Marine (PR). Any work not currently budgeted will only proceed at such time as appropriations have been approved by the City Council. Each work order will be funded by the requesting department per project, on an as-needed basis. Approval of this recommendation may have a positive impact on local jobs.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

APPROVED:



PATRICK H. WEST
CITY MANAGER

CB:SC:AP:OR:db
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