



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

September 10, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-04913 and award a contract to Harbor Diesel and Equipment, Inc., a Long Beach-based business (Local; not an MBE, WBE or SBE), for furnishing and delivering Cummins brand vehicle parts and services, in an annual amount not to exceed \$230,000, 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 being requested to enter into a contract for furnishing and delivering Cummins brand vehicle parts and services for the City's light, medium and heavy-duty vehicles using liquefied natural gas and diesel-powered Cummins engines. The City currently utilizes a variety of light, medium and heavy-duty vehicles utilizing Cummins engines which are front-line, high-usage vehicles. These vehicles include 85 refuse trucks, 14 fire apparatuses, 20 street sweepers and 20 miscellaneous units. Keeping these essential vehicles in service requires quick and efficient delivery of parts and service.

The bid was advertised in the Press-Telegram on July 8, 2013, and 429 potential bidders specializing in Cummins parts and repair services were notified of the bid opportunity. Of those bidders, eight downloaded the bid via our electronic 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 <http://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. One bid was received by Harbor Diesel and Equipment, Inc., a Long Beach-based business (Local; not an MBE, WBE or SBE), on July 17, 2013.

Local Business Outreach

In an effort to align with our local outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 81 Long Beach vendors were notified to submit bids, of which two downloaded and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

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This matter was reviewed by Deputy City Attorney Amy R. Webber on August 19, 2013 and by Budget Management Officer Victoria Bell on August 13, 2013.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-04913 and award a contract concurrently is requested on September 10, 2013 to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The not to exceed amount of this contract is \$230,000. Of that amount, \$210,000 is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM); \$10,000 in the Harbor Operations Fund (HR 430) in the Harbor Department (HR), and \$10,000 in the Water Fund (EF 310) in the Water Department (WA). The award of this contract will provide continued assistance to our local economy by preserving 11 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



PATRICK H. WEST
CITY MANAGER