



February 15, 2011

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California**RECOMMENDATION:**

Adopt Plans and Specifications No. G-280 for gas main and service line replacement; authorize the City Manager to execute a contract with ARB, Inc., in an amount not to exceed \$4,043,084 plus a 10 percent contingency, as necessary, to address unforeseen issues related to the construction of this project, for a total award amount of \$4,447,392. (Citywide)

**DISCUSSION**

The Long Beach Gas and Oil Department (LBGO) is involved in a Capital Improvement Program to replace aging infrastructure for its natural gas utility. The work will be done on various streets throughout the city and consists primarily of reconstructing portions of the underground natural gas pipeline distribution system. This recommendation is to establish the contract for an outside contractor to perform main and service line replacements during Fiscal Year 2011. The materials and supplies required for the project will be purchased by LBGO under separate material and supply contracts. This contract is funded out of the Gas Fund's infrastructure replacement budget. In accordance with the California Environmental Quality Act, Categorical Exemption Number CE-56-10 has been issued for this project.

An invitation to bid was advertised in the Press-Telegram on December 2, 2010. The bid document was made available from the City's Purchasing Division's website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). Seven potential bidders attended the Bidder's Conference on January 12, 2011, and six bids were received and publicly opened on January 19, 2011. Of these six bidders, one is a Minority-owned Business Enterprise (MBE), none were Woman-owned Business Enterprises (WBE), none were local businesses, and one is a Small Business Enterprise (SBE). ARB, Inc., of Lake Forest, CA (not a MBE, WBE, SBE, or a Local), is the lowest responsible bidder.

Local Business Outreach:

In a continuing effort to increase participation of Long Beach businesses, bids were sent to trade publications catering to the construction industry. In addition, we reviewed other local resources in order to find local contractors, but were unable to find a contractor that specialized in the construction of natural gas line replacement. Our outreach goal during the bid process is to encourage Long Beach businesses to take advantage of local preferences offered by the City and submit bids for City contracts.

This matter was reviewed by Deputy City Attorney Richard Anthony and Budget Management Officer Victoria Bell on January 24, 2011.

TIMING CONSIDERATIONS

City Council action is requested on February 15, 2011, to authorize commencement of this project. Construction is anticipated to begin in March 2011 and should be completed by September 30, 2011.

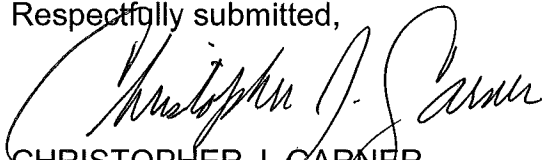
FISCAL IMPACT

The contract award is for an amount not to exceed \$4,043,084 plus a 10 percent contingency (404,308), as necessary, for a total award amount of \$4,447,392. All materials are purchased directly by LBGO under separate purchase agreements. The required funding is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (EN). There is no impact to the General Fund and no local job impact associated with this recommendation.

SUGGESTED ACTION:


Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

APPROVED:

  
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PATRICK H. WEST  
CITY MANAGER