

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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January 6, 2015

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Adopt Specifications No. ITB LB15-010 and award a contract to Ferguson Enterprises, Inc., of Long Beach, CA, for providing as-needed plumbing supplies, in an annual amount not to exceed \$910,000, 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 requested to enter into an annual contract with Ferguson Enterprises Inc., for furnishing and delivering plumbing supplies, including, but not limited to, piping, adapters, toilet couplings, faucets, various fittings and tubing supplies necessary for the repair, replacement and maintenance of various facilities. The award represents the combined annual requirements as estimated by various City department users.

The bid was advertised in the Press-Telegram on November 7, 2014, and 3,171 potential bidders specializing in plumbing supplies were notified of the bid opportunity. Of those bidders, 36 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: <u>www.longbeach.gov/purchasing</u>. 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. Three bids were received on November 20, 2014. Of those three bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), one was a certified Small Business Enterprise (SBE), and one was a Long Beach business (Local). Ferguson Enterprises, Inc., of Long Beach, CA (Local; not an MBE, WBE or SBE), was the lowest responsible bidder.

Local Business Outreach

In effort to align with our outreach goal, Long Beach businesses were 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, 290 Long Beach vendors were contacted 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 Deputy City Attorney Amy R. Webber on December 11, 2014 and by Budget Management Officer Victoria Bell on December 17, 2014.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB LB15-010 and award a contract concurrently is requested on January 6, 2015 to ensure the contract is in place expeditiously.

FISCAL IMPACT

The cost of this contract, in the estimated annual amount not to exceed \$910,000, is budgeted in various departments and funds. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 13 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