

C-7

July 14, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract with Fastenal Company, of Winona, MN, for furnishing and delivering fasteners, miscellaneous hardware, and heating, ventilation, and air conditioning (HVAC) parts and supplies, on the same terms and conditions afforded to University of California, through Omnia Partners, formerly National IPA, in an annual amount of \$225,000, with a 10 percent contingency of \$22,500, for a total annual contract amount not to exceed \$247,500, until the contract expires on June 30, 2023, with the option to renew for as long as the Omnia Partners contract is in effect, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Fastenal Company (Fastenal), for furnishing and delivering fasteners, miscellaneous hardware, and HVAC supplies (excluding air filters). The award represents the combined annual requirements as estimated by various City department users.

The Purchasing Division of the Financial Management Department investigated procurement options for fasteners, miscellaneous hardware, and HVAC supplies (excluding air filters) and discovered several other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed three cooperative agreement options and of the three, Fastenal was chosen for their competitive pricing, rebate and incentive program, service levels, breadth of market basket, and local impact.

City Charter 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis, when authorized by a Resolution of the City Council.

This matter was reviewed by Deputy City Attorney Amy R. Webber on June 26, 2020, Deputy Finance Director Sandy Tsang-Palmer on June 22, 2020, and by Budget Management Officer Rhutu Amin Gharib on June 29, 2020.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and execute a contract concurrently is requested on July 14, 2020, to ensure the contract is in place expeditiously.


FISCAL IMPACT

The annual contract amount will not exceed \$247,500, inclusive of a 10 percent contingency, for the initial term of three years expiring June 30, 2023, with the option to renew for as long as the Omnia Partners contract is in effect. The cost for this contract is budgeted in various fund groups and departments. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This contract will provide continued support to our local economy by assisting in the preservation of employment for five employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENT – RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH FASTENAL COMPANY ON THE SAME TERMS AND CONDITIONS AFFORDED TO THE UNIVERSITY OF CALIFORNIA THROUGH OMNIA PARTNERS, IN AN ANNUAL AMOUNT OF \$225,000

WHEREAS, the Charter of the City of Long Beach, Section 1802, permits the City Manager to enter into a contract on behalf of the City, in writing or otherwise, without advertising for bids, for services, supplies, materials, equipment or labor, with other government agencies, when authorized by resolution; and

WHEREAS, the City desires to purchase fasteners, miscellaneous hardware, and heating, ventilation and air-conditioning parts and supplies; and

WHEREAS, the University of California through Omnia Partners has a contract with Fastenal Company for maintenance repair and operations supplies and related services, Purchasing Agreement No. 2018.000208 ("UC Agreement"); and

WHEREAS, the City's participation in the UC Agreement will facilitate acquisition of the fasteners, miscellaneous hardware, and heating, ventilation and air-conditioning parts and supplies as well as provide considerable cost benefits to the City; and

WHEREAS, if the City had to go to formal bid rather than participate in the UC Agreement considerably more funds would be required;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City Manager or designee is hereby authorized to enter a

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

1 contract with Fastenal Company for fasteners, miscellaneous hardware, and heating,
2 ventilation and air-conditioning parts and supplies, in an annual amount of Two Hundred
3 Twenty-Five Thousand Dollars (\$225,000), for a period of three (3) years, with the option
4 to renew for as long as the Omnia Partners Contract is in effect, and at the discretion of
5 the City Manager.

6 Section 2. This resolution shall take effect immediately upon its adoption
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City
9 Council of the City of Long Beach at its meeting of _____, 2020
10 by the following vote:

11
12 Ayes: Councilmembers: _____

13 _____

14 _____

15 _____

16 Noes: Councilmembers: _____

17 _____

18 Absent: Councilmembers: _____

19 _____

20 Recusal(s): Councilmembers: _____

21 _____

22 _____

23 _____

24 _____

City Clerk

25 _____

26 _____

27 _____

28 _____