



# CITY OF LONG BEACH

# C-11

DEPARTMENT OF FINANCIAL MANAGEMENT

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June 22, 2010

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

## RECOMMENDATION:

Adopt Specifications No. PA-02410 and award a contract to Ferguson Enterprises, Inc., a Long Beach-based business (SBE, Local), for the purchase of Fusion Bonded Epoxy (FBE) coated pipe, in the amount of \$160,000 for a one-time purchase. (Citywide)

## DISCUSSION

City Council approval is requested to enter into a contract for the purchase of FBE pipe used by the Long Beach Gas and Oil Department (LBGO). FBE pipe is utilized to replace and upgrade the aged pipe in LBGO's natural gas pipeline system, which is necessary for the safe and efficient delivery of natural gas to LBGO customers in Long Beach and Signal Hill. To reduce overall costs, LBGO, in conjunction with the Purchasing Division, has competitively bid the purchase of the FBE pipe and contracted separately for the actual installation of the pipe.

The bid for furnishing and delivering FBE pipe was advertised in the Press Telegram on April 2, 2010 and 119 potential bidders specializing in FBE pipe were notified. Of those bidders, 19 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 [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). A bid announcement was also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 30 local, minority, and women's business groups. Seven bids were received and a public bid opening occurred on April 15, 2010. Of those seven bidders, two are Minority-owned Business Enterprises (MBEs); four are a Women-owned Business Enterprises (WBEs); four are Small Business Enterprises (SBEs); and, four are Long Beach businesses (local). Ferguson Enterprises, Inc. of Long Beach, CA (SBE, Local) is the lowest responsible bidder.

This matter was reviewed by Deputy City Attorney Amy R. Burton and Budget Management Officer Victoria Bell on June 7, 2010.

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TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-02410 and award the contract concurrently is requested on June 22, 2010 to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The cost of this contract is \$160,000 and is budgeted in the Gas Fund (EF 301) in the Long Beach Gas & Oil Department (EN). The award of this contract will provide continued support to our local economy by assisting in the preservation of two full-time employees residing in Long Beach with employment.

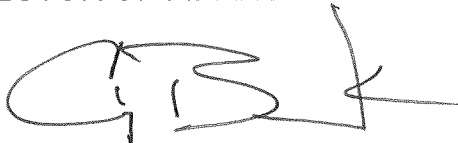
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS & OIL

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APPROVED:



PATRICK H. WEST  
CITY MANAGER