

CITY OF
LONG BEACH
ENERGY RESOURCES

R-12

2400 EAST SPRING STREET • LONG BEACH, CA 90806
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January 15, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to approve Long Beach Energy Resources spending authority on Long Beach Water Department Specifications WD-03-19 with Sully-Miller Contracting Company, for street repair services, in an amount not to exceed \$1,000,000, for a period of one year, with the option to renew for two additional one-year periods, subject to a maximum increase of 10 percent for each renewal period, at the discretion of the City Manager. (Citywide)

DISCUSSION

In November 29, 2018, the Board of Water Commissioners approved WD-03-19 and authorized the General Manager to execute a contract with Sully-Miller Contracting Company, to provide street repair services in an amount not to exceed \$3,500,000 for a period of one year. The Water Department has the option to renew for two additional one-year periods, subject to a maximum increase of 10 percent for each renewal period.

The City of Long Beach (City) utilizes contracts with outside vendors for paving of street repairs. Delivery of that service is typically done through on-call contracts. In an attempt to gain efficiencies, Long Beach Energy Resources has coordinated with the Long Beach Water Department to share contracts and gain favorable pricing through economies of scale. As such, the contract was bid to allow \$1,000,000 to be allocated to Long Beach Energy Resources for street repairs.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on December 12, 2018 and by Revenue Management Officer Geraldine Alejo on December 17, 2018.

TIMING CONSIDERATIONS

City Council action is requested on January 15, 2019, to execute the necessary agreements with Sully-Miller Contracting Company to continue street paving repairs.

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FISCAL IMPACT

The annual contract amount will not exceed \$1,000,000, and is budgeted in the Gas Fund (EF 301) in the Energy Resources Department (ER). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rob Dowell", written in a cursive style.

ROBERT DOWELL
DIRECTOR OF ENERGY RESOURCES

APPROVED:

A handwritten signature in black ink, appearing to read "P. West", written in a cursive style.

PATRICK H. WEST
CITY MANAGER