# CITY OF LONG BEACH





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April 17, 2018

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Adopt Specifications No. RFP AP18-035 and award a contract to Elite Line Services, of Carrollton, TX, to perform maintenance, repair and support of the baggage handling system at the Long Beach Airport, in an amount not to exceed \$3,018,293, for a period of three years, with the option to renew for two additional one-year periods, for an annual amount not to exceed \$1,048,263, at the discretion of the City Manager; authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments:

Authorize the City Manager, or designee, to increase Blanket Purchase Order (BPO) No. BPAP18000001 with John Bean Technologies, dba JBT Aerotech Services, of Ogden, UT, to continue performing maintenance of the baggage handling system at the Long Beach Airport, by \$396,000, for a total amount not to exceed \$641,437, and extend the term of the BPO to June 30, 2018; and,

Increase appropriations in the Airport Fund (EF 320) in the Airport Department (AP) by \$792,000, offset by funds available. (District 5)

### DISCUSSION

City Council approval is requested to enter into a contract with Elite Line Services (ELS), to perform maintenance, repair and support of the baggage handling system (BHS) located at the Long Beach Airport (Airport). The BHS is critical for baggage security screening, sustaining flight schedules and passenger satisfaction. To ensure that the BHS remains operable with very minimal interruption, the Airport requires the full-time services of technicians specifically trained in developing and performing preventive and corrective maintenance for the BHS and its components.

On November 4, 2017, the City Council approved an increase to the interim Blanket Purchase Order (BPO) with John Bean Technologies (JBT) in an amount not to exceed \$245,437, to continue providing maintenance of the BHS until a new contract could be executed. Approval is requested to extend the term and increase the interim BPO with JBT, by \$396,000, for a revised on to exceed amount of \$641,437. Additional funds are

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needed for the interim BPO to maintain the system properly without interruption and to ensure there is adequate time allocated for the transition from JBT to ELS.

The existing BHS at the Airport consists of components constructed in the 1980s, in addition to newer, more technologically complex components constructed in 2008, all of which require regular maintenance and repair. The newer sections consist of a partial inline conveyor system that feeds baggage from multiple conveyors behind the airline ticket counters. This section also carries all baggage to a centralized Transportation Security Administration (TSA) screening area and delivers cleared baggage to the airline baggage make-up carousel.

A Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on November 19, 2017, and 10,866 potential bidders specializing in baggage handling systems and services were notified of this RFP opportunity. Of those bidders, 31 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at <a href="http://www.longbeach.gov/purchasing">http://www.longbeach.gov/purchasing</a>. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority, and women-owned business groups. Six proposals were received on January 4, 2018. Of those six proposals, none were Minority-owned Business Enterprises (MBEs), none were Certified Small Business Enterprises (SBEs), and none were Long Beach businesses (Local).

A selection committee, comprised of Airport staff and an airline representative, determined that Elite Line Services, Inc., of Carrollton, TX, was the most qualified firm to provide the necessary services, reflecting their experience in performing comparable engagements; flexibility in adapting to the City's needs; reasonableness of cost for value delivered; and, proven stability. During the interviews, firms provided responses to questions related to timeliness of project completion, subcontractor work, and prevailing wage requirements. Subsequently, the panel determined ELS best met the Airport's needs and provided the best value overall for the City.

#### **Local Business Outreach**

In an effort to align with the City's outreach goal, Long Beach businesses were encouraged to submit proposals for City contracts. The Purchasing Division also assisted businesses with registering on the Bids Online Database to download the RFP specifications. Through outreach, 984 Long Beach vendors were notified to submit proposals, of which none downloaded nor submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on March 29, 2018 and by Budget Analysis Officer Julissa José-Murray on March 26, 2018.

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# **TIMING CONSIDERATIONS**

City Council action to adopt Specifications No. RFP AP18-035 and award a contract concurrently is requested on April 17, 2018, to ensure the contract is in place expeditiously so the BHS can be maintained properly with minimal interruption of service.

## **FISCAL IMPACT**

The initial three-year agreement amount of \$3,018,293 is comprised of \$2,174,543 for regularly scheduled preventative maintenance, \$450,000 for designated emergency repairs of the BHS, and a 15 percent contingency in the amount of \$393,750. An appropriation increase is requested in the Airport Fund (EF 320) in the Airport Department (AP) in the amount of \$792,000, offset by funds available. Funding for subsequent years will be included as part of the annual budget process. There is no local job impact associated with this recommendation.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JĘŚS L. ROMO, A.A.E.

DIRECTOR, LONG BEACH AIRPORT

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DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

PATRICK H. WEST CITY MANAGER