

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard, 6th Floor • Long Beach, CA 90802 • (562) 570-6465 • Fax (562) 570 -5836

June 12, 2018

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 34696 with Quality Fence Co., Inc., of Paramount, CA; Contract No. 34699 with AZ Construction, Inc., dba Ace Fence Company, of La Puente, CA; and, Contract No. 34680 with A-Throne Company, Inc., of Long Beach, CA, for as-needed citywide fencing services, to increase the annual contract amount by \$1,294,600, for a revised annual aggregate contract amount of \$2,220,600, and authorize a 15 percent contingency of \$333,090, for a revised total annual aggregate amount not to exceed \$2,553,690, for the current term ending July 31, 2020, with the option to renew for two additional one-year periods. (Citywide)

DISCUSSION

On July 18, 2017, the City Council awarded contracts to Quality Fence Co. (Quality Fence), Inc., AZ Construction, Inc. (ACE), and A-Throne Company, Inc. (A-Throne), for as-needed citywide fencing services, in an annual aggregate amount of \$926,000, with a 10 percent contingency of 92,600, for a total annual aggregate amount not to exceed \$1,018,600, for a period of three years, with the option to renew for two additional one-year periods.

City Council action is requested to amend Contract No. 34696 with Quality Fence, Contract No. 34699 with ACE, and Contract No. 34680 with A-Throne to increase the annual aggregate amount by \$1,294,600, and increase the contingency from 10 percent to 15 percent. Additional spending authority is needed to continue providing service for repairs and large-scale fencing projects in a timely and uninterrupted manner through the end of the first year of the current contract term, ending July 31, 2018, and to make sufficient contract authority available during the subsequent (second and third) years of the original contract term ending July 31, 2020.

Contract usage by multiple City departments, including the Departments of Development Services, Financial Management/Fleet Services, Energy Resources, Harbor, Library Services, Public Works, and Water has increased due to unforeseen repairs of existing fencing, installation of new fencing, and an increased number of upcoming projects. As such, the contracts' contingency funds have been exhausted.

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This matter was reviewed by Deputy City Attorney Amy R. Webber and by Budget Management Officer Rhutu Amin Gharib on May 23, 2018.

TIMING CONSIDERATIONS

City Council action is requested on June 12, 2018, to allow for uninterrupted continuation services related to temporary and permanent fencing repairs and projects.

FISCAL IMPACT

The requested action increases the annual contract authority to a revised annual aggregate amount not to exceed \$2,553,690, inclusive of a 15 percent contingency. Sufficient funds to support the \$1,535,090 in increased authority are budgeted in multiple funds and departments. The approval of this recommendation will provide continued support to our local economy by assisting in the preservation of employment for 12 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS

DIRECTOR OF FINANCIAL MANAGEMENT

JG:TY:KL

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APPROVED:

PATRICK H. WES' CITY MANAGER