



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-21

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March 5, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB FS19-033 and award a contract to Downstream Aviation LP, dba EPIC Aviation LLC, of Salem, OR, for the purchase of Jet A fuel, in an annual amount of \$175,000, with a 10 percent contingency of \$17,500, for a total annual amount not to exceed \$192,500, for a period of two years, with the option to renew for three one-year periods; and, authorize the City Manager, or designee, to enter into the contract, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Downstream Aviation LP, dba EPIC Aviation, LLC, for the purchase of Jet A fuel for helicopters used by the Police Department. The jet fuel is delivered to, and stored in 1,000-gallon above-ground tanks, at the heliport at the Long Beach Airport. Approximately 4,000 gallons of jet fuel are used for helicopter operations monthly.

The bid was advertised in the Long Beach Press-Telegram on December 20, 2018, and 518 potential bidders specializing in petroleum fuel supply operations were notified of the bid opportunity. Of those bidders, 16 downloaded the bid via the City's 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. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 28 local, minority, and women-owned business groups. Two bids were received on January 16, 2019. Of those bidders, none were Minority-owned Business Enterprises (MBE), Small Business Enterprises (SBE), Women-owned Business Enterprises (WBEs), or Long Beach businesses (Local). Downstream Aviation, LP (not a MBE, WBE, SBE, or local), was the lowest responsible bidder.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering

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on the PlanetBids database to download the bid specifications. Through outreach, 71 Long Beach vendors were notified to submit bids, of which three downloaded and none submitted a bid. 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 Taylor M. Anderson on February 4, 2019 by Purchasing Agent Tara Yeats on February 13, 2019, and by Budget Management Officer Rhutu Amin Gharib on February 11, 2019.

SUSTAINABILITY

The jet fuel complies with all federal, state, and local air quality control standards for emissions.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FS19-033 and award a contract concurrently is requested on March 5, 2019, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total annual contract amount will not exceed \$192,500, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Costs for jet fuel are collected through regular charges to the Police Department (PD) through the Fleet Memorandum of Understanding monthly billing process. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:


PATRICK H. WEST
CITY MANAGER

JG:DB:JS:PM

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