

# CITY OF LONG BEACH

G-7

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 7th Floor • Long Beach, CA 90802 • (562) 570-6200 • Fax (562) 499-1097

June 18, 2019

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### **RECOMMENDATION:**

Authorize the City Manager, or designee, to increase interim Munis Contract No. 3190000020 with Ferguson Enterprises, Inc., of Pomona, CA, for furnishing and delivering as-needed plumbing supplies Citywide, to increase the annual contract amount by \$416,500, for a revised total annual amount not to exceed \$516,500, and extend the term of the contract to November 30, 2019. (Citywide)

# **DISCUSSION**

On January 6, 2015, the City Council awarded a contract to Ferguson Enterprises, Inc. (Ferguson), for furnishing and delivering as-needed plumbing supplies. The contract expired on January 1, 2019. To ensure continuity of service, interim Contract No. 319000020, in the amount of \$100,000, was issued pursuant to the City purchasing guidelines. The interim contract expired on May 31, 2019. The authorized amount under the current terms and conditions of the contract has been exhausted.

City Council approval is requested to increase the existing agreement with Ferguson by \$416,500 and extend the term of the contract to November 30, 2019, to continue purchasing essential as-needed plumbing supplies. The contract extension will provide adequate time to complete a procurement process. It is anticipated the award of the new contract will be presented to the City Council in November 2019.

This matter was reviewed by Deputy City Attorney Amy R. Webber on May 21, 2019, by Purchasing Agent Tara Yeats on May 15, 2019, and by Budget Management Officer Rhutu Amin Gharib on May 30, 2019.

### TIMING CONSIDERATIONS

City Council action is requested on June 18, 2019, to allow for uninterrupted and timely purchasing of as-needed plumbing supplies.

HONORABLE MAYOR AND CITY COUNCIL June 18, 2019 Page 2

## FISCAL IMPACT

The requested action increases the annual contract authority by \$416,500, for a revised total amount not to exceed \$516,500. Sufficient appropriation is budgeted across various user departments and funds. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The extension of this contract will provide continued support to our local economy by assisting in the preservation of employment for 36 full-time employees residing in Long Beach.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

**JOHN GROSS** 

DIRECTOR OF FINANCIAL MANAGEMENT

JG:TY:SK

6. K.FM-ADMINICITY COUNCIL LETTERS/BUSINESS SERVICES/2019/06-18-19 CCL - FERGUSON BPO INCREASE PLUMBING/06-18-2019 CCL - FERGUSON BPO INCREASE, DOCX

APPROVED:

PATRICK H. WEST