

CITY OF LONG BEACH

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DEPARTMENT OF FINANCIAL MANAGEMENT

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June 18, 2019

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Adopt Specification No. RFP FS19-042 and award contracts to Pacific Elite, Inc., dba Pacific Elite Collision Centers, of Signal Hill, CA, and Fleet Collision Services, Inc., of Paramount, CA, for as-needed light- and medium-duty vehicle body repair, in an annual aggregate amount of \$1,100,000, with a 15 percent contingency in the amount of \$165,000, for a total annual amount not to exceed \$1,265,000, for a period of two years, with the option to renew for three additional one-year periods; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with Pacific Elite, Inc., and Fleet Collision Services, Inc., for as-need light- and medium-duty vehicle body repair. Annually, an average of 152 City vehicles require paint and/or body work to operate safely and efficiently. These services are used by City departments, including the Harbor and Water Departments.

The Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on February 12, 2019, and 18 potential proposers specializing in vehicle body repair and paint services were notified of the RFP opportunity. Of those proposers, nine 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 www.longbeach.gov/purchasing. An RFP 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. Three proposals were received on March 19, 2019. Of those three proposals, one was were Minority-owned Business Enterprise (MBE), none were Women-owned Business Enterprises (WBEs), two were Small Business Enterprises (SBEs), and one was a Long Beach business (Local).

HONORABLE MAYOR AND CITY COUNCIL June 18, 2019 Page 2

A selection committee, comprised of subject matter experts from Fleet, evaluated the proposals based on the criteria established within the RFP and conducted additional due diligence activities including site visits. The selection committee determined that Pacific Elite, Inc., of Signal Hill, CA (not a MBE, WBE, SBE, or Local), and Fleet Collision Services, Inc., of Paramount, CA (a SBE, but not a MBE, WBE, or Local), were qualified firms to provide light- and medium-duty vehicle body repair, and will provide the City with great customer service and meet the requirements of the RFP.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids online database to download the RFP specifications. Through outreach, nine 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 Taylor M. Anderson on May 31, 2019, Purchasing Agent Tara Yeats on May 29, 2019, and by Budget Management Officer Rhutu Amin Gharib on May 30, 2019.

<u>SUSTAINABILITY</u>

The body repair and painting facilities are required to follow compliance with the local, State, and federal requirements for containment of hazardous materials.

TIMING CONSIDERATIONS

City Council action to adopt Specification No. RFP FS19-042 and award contracts concurrently is requested on June 18, 2019, to ensure the contracts are in place expeditiously.

FISCAL IMPACT

The total aggregate annual cost of the contracts will not exceed \$1,265,000. Sufficient funding for the contracts is budgeted in the amount of \$1,035,000 in the Fleet Services Fund Group in the Financial Management Department, \$115,000 in the Harbor Fund Group in the Harbor Department, and \$115,000 in the Water Fund Group in the Water Department. Funds for vehicle repair services are collected through the regular Fleet Memorandum of Understanding (MOU) monthly billing process from fleet vehicle and equipment users. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 22 full-time employees residing in Long Beach.

HONORABLE MAYOR AND CITY COUNCIL June 18, 2019 Page 3

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS

DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED: