Department of Financial Management 411 West Ocean Boulevard, 6th Floor Long Beach, CA 90802 (562) 570-6425

C-14

October 6, 2020

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Adopt Specifications No. ITB FS20-035 and award contracts to California Motorcycle Assessories, Inc., dba Del Amo Motor Sports, of Long Beach, CA, South Coast Shipyard, Inc., of Newport Beach, CA, and Indel Engineering, Inc., dba Marina Shipyard, of Long Beach, CA, for providing marine vessel haul out and repair services, in an annual contract amount of \$640,000, with a 25 percent contingency of \$160,000 per year, for a total aggregate annual contract amount not to exceed \$800,000, 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 these contracts, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with multiple vendors for marine vessel haul out and repair services, for a total aggregate annual contract amount not to exceed \$800,000, inclusive of a 25 percent contingency.

Haul out services are needed when boats become inoperable due to mechanical failures, or when they are scheduled for dry dock maintenance and repairs. Standard maintenance for marine vessels includes hull pressure cleaning, corrosion control and testing, propeller and shaft maintenance, engine and engine pump replacement, and jet drive servicing. The City currently has 33 marine vessels in the fleet in various departments that may use these services. These contracts will also enable repairs and service for approximately 15 personal watercraft units, including repairs on outboard motors, rudders, shaft, and hull containment.

Spending authority on marine vessel repair and service has historically been sought and authorized on a case-by-case basis. The recommended action of awarding aggregate contracts will allow for efficiencies, expedited service, and units to return to operations more quickly. A 25 percent contingency is being requested for unforeseen work and repairs, which is common when working on marine vessels. Heavy use and the salt water environment can cause extreme wear and tear on units, which is often unknown until the unit is removed from the water at the location of service. The ability to address unforeseen problems will allow a quicker return to service and prolong the useful life of these City assets.

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The bid was advertised in the Long Beach Press-Telegram on March 19, 2020 and May 11, 2020, and 82 potential bidders specializing in boat watercraft parts, maintenance, and repairs were notified of the bid opportunity. Of those bidders, 14 downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at <u>www.longbeach.gov/purchasing</u>. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 35 local, minority-owned, and women-owned business groups. Three bids were received on July 22, 2020. Of those bidders, none were Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), or certified Small Business Enterprises (SBEs). Two were Long Beach businesses (Local). California Motorcycle Assessories, Inc., dba Del Amo Motorsports of Long Beach (Local), Indel Engineering, Inc., dba Marina Shipyard (Local), and South Coast Shipyard, Inc. (not a MBE, WBE, SBE, or Local), were the lowest responsible bidders.

Local Business Outreach

In an effort 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 on the PlanetBids database to download the bid specifications. Through outreach, 11 Long Beach vendors were notified to submit bids, of which three downloaded and two submitted bids. 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 September 10, 2020, Deputy Finance Director Sandy Tsang-Palmer on August 24, 2020, and by Budget Management Officer Rhutu Amin Gharib on September 9, 2020.

SUSTAINABILITY

All marine vessel engines, pumps, and paints are compliant with California State and local regulations for air toxin and pollutant emissions.

TIMING CONSIDERATIONS

City Council action is requested on October 6, 2020, to ensure contracts are in place expeditiously.

FISCAL IMPACT

The total annual contract amount will not exceed \$800,000, inclusive of a 25 percent contingency, and is budgeted in the Fleet Services Fund Group in the Financial Management Department. Maintenance and repair costs are collected through the Fleet Services Memorandum of Understanding (MOU) regular monthly charges to multiple fund groups and departments. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The award of these contracts will provide continued support to our local economy by assisting in the preservation of employment for 38 employees residing in Long Beach.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

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JOHN GROSS DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

11.

THOMAS B. MODICA CITY MANAGER