



Legislation Text

File #: 16-0727, **Version:** 1

Recommendation to adopt resolution authorizing City Manager to execute a contract with Koppl Pipeline Services, Inc., of Montebello, CA, for furnishing and delivering pipeline stopper fittings and perform tapping and stopping services for natural gas pipelines greater than 12 inches in diameter without advertising for bids, in an annual amount not to exceed \$400,000, for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

City Council approval is requested to enter into a contract with Koppl Pipeline Services, Inc., for furnishing and delivering pipeline stopper fittings on an as-needed basis and perform as-needed tapping and stopping services on natural gas pipelines greater than 12 inches in diameter, for Long Beach Gas and Oil Department (LBGO) to safely and efficiently interrupt the flow of natural gas.

LBGO operates over 58 miles of natural gas pipelines that are greater than 12 inches in diameter. These larger diameter pipelines form part of the backbone of the City's natural gas delivery system. LBGO does not possess the tools and equipment necessary to control and stop the flow of natural gas on these larger pipelines and must rely on aging valves to control and stop gas flow. As a result, existing conditions require removal of large sections of pipelines from service to perform repairs. In addition, experience has shown that these aging valves tend to bypass or vent when closed and do not completely stop the flow of gas. While another vendor offers similar services, its equipment is not compatible with LBGO's older vintage, large diameter pipelines which, in aggregate, total more than half of the existing pipelines greater than 12 inches in diameter.

City Council approval is requested to adopt a Resolution for a sole source purchasing contract, as Koppl Pipeline Services, Inc., is the only supplier of the fittings and tapping/stopping services for pipelines greater than 12 inches in diameter that is compatible with LBGO's older vintage, larger diameter pipelines.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on July 25, 2016, and by Assistant Finance Director Lea Eriksen on July 22, 2016.

City Council action is requested on August 9, 2016, to ensure the contract is in place to order fittings and tapping/stopping services.

The total annual contract costs will not exceed \$400,000. Sufficient funds to support this contract are budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). There is no local job impact associated with this recommendation.

Approve recommendation.

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ROBERT DOWELL
DIRECTOR OF LONG BEACH GAS AND OIL

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER