



**City of Long Beach**  
Working Together to Serve

**R-7**  
**Office of Dee Andrews**  
**Council Member, Sixth District**  
**Memorandum**

**Date:** March 9, 2010

**To:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**From:** Robert Garcia, Councilmember First District *RG*  
Suja Lowenthal, Councilmember Second District *SL*  
Dee Andrews, Councilmember Sixth District *DA*  
Val Lerch, Vice Mayor Ninth District *VL*

**Subject:** **AGENDA ITEM:** Increase Economies of Scale for Procurement Department

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### **DISCUSSION**

The City of Long Beach purchases products and services totaling over \$250 million annually. The City has a Procurement Department that purchases include everything from toilet paper to automobiles. Our procurement system is a well-bedded system that allows for the lowest possible bidder to qualify for bids and reach out to the various businesses within the community and beyond to provide the best possible services and products for the City of Long Beach.

Large to medium sized business and other government organizations such as Long Beach Unified School District, CSULD, LBCC, and Long Beach Transit all purchase many of the same items and services. For example they all purchase fuel, office supplies and vehicles. The plan is to have these organizations participate in our procurement program. This would allow them to have substantial savings in time and money.

The City of Long Beach would be able to have an even larger purchasing scope that would create a more cost effective contract and give the best possible price for everyone in the plan.

### **RECOMMENDATION**

**Recommendation:** To request the City Manager to explore opportunities of allowing other large government organizations and businesses to opt into our procurement system to allow greater leverage and economy scales in purchasing. Report back to City Council within 60 days.