



CITY OF LONG BEACH

R-22

DEPARTMENT OF FINANCIAL MANAGEMENT

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September 20, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-03111 and award contracts to Walter's Wholesale Electric Company, of Long Beach, CA (not an MBE, WBE or SBE) and Consolidated Electrical Distributor, Inc. (CED), dba Metropolitan Electrical Distributors, of Los Angeles, CA (not an MBE, WBE, SBE or Local), for furnishing and delivering electrical supplies, in an annual amount not to exceed \$650,000, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is being requested to enter into an annual contract with Walter's Wholesale Electric Company and CED, for the purchase of electrical supplies. These contracts combined, will supply Citywide electrical inventory requirements, such as conduit, fittings, wire, connectors, fixtures and ballasts, with pricing at the highest volume discounts available. The Departments of Public Works, Harbor and Water are the primary users of these contracts. Awarding multiple contracts allows the City to purchase supplies at the lowest price per item or item group, and provides alternate sources for items that may not be adequately stocked by a single vendor.

The bid for electrical supplies was advertised in the Press-Telegram on April 29, 2011, and 230 potential bidders specializing in electrical supplies were notified. Of those bidders, 38 downloaded the bid via our electronic bid system. The bid 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. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Five bids were received on March 1, 2011. Of those five bidders, one was a Minority-owned Business Enterprise (MBE), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and two were Long Beach Businesses (Local). Walter's Wholesale Electric Company, of Long Beach, CA (not an MBE, WBE or SBE), and CED dba Metropolitan Electrical Distributors, of Los Angeles, CA (not an MBE, WBE, SBE or Local), are the lowest responsible bidders.

Local Business Outreach

In an effort to align with our outreach goal, we solicited Long Beach businesses to take advantage of local preferences offered by the City and by encouraging them to submit bids for City contracts. We also assisted businesses with registering on our Bids Online database to download the bid specifications. Through outreach, fifteen Long Beach vendors were contacted to submit bids, of which three downloaded the bid, and two submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

The matter was reviewed by Deputy City Attorney Amy R. Burton on August 4, 2011 and Budget Management Officer Victoria Bell on August 16, 2011.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-03111 and award contracts concurrently is requested on September 20, 2011 to ensure that the contracts are in place expeditiously.

FISCAL IMPACT

The cost of these contracts is a combined annual amount not to exceed \$650,000. This activity is currently budgeted in various departments and funds. The amount is based on historical expenditures and reflects a decrease of \$90,000 annually in the estimated amount awarded on the previous contracts. The award of these contracts will provide continued support to our local economy by assisting in the preservation of 39 full-time employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



PATRICK H. WEST
CITY MANAGER