

C-9

September 15, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute a contract, and any necessary amendments, with Safe Harbor New England Boatworks, of Portsmouth, RI, to complete the construction of a multi-purpose patrol vessel, for a total contract amount not to exceed \$363,000, inclusive of taxes and fees; and,

Increase appropriations in the General Fund Group in the Police Department by \$135,000, offset by Department of Treasury Asset Forfeiture Funds. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Safe Harbor New England Boatworks to complete the construction of a multi-purpose patrol vessel, for a total contract amount not to exceed \$363,000, inclusive of taxes and fees, to be used by Port Security. The multi-use vessel will augment current maritime resources, increase security in the Port and coastal waterways, and help mitigate any response delays to critical incidents.

On June 10, 2014, the City Council adopted Specifications No. ITB FS14-061, and authorized the City Manager to enter into Contract No. 33456 with NAIAD Inflatables of Newport, Inc., of Rhode Island, using 2011 Port Security Grant Program funds for the purchase of a multi-purpose patrol vessel for Port Security. To guarantee its performance under the contract, NAIAD furnished a bond for Faithful Performance issued by Allegheny Casualty Company (the Surety) on July 10, 2014. A contract dispute had arisen among the parties when the vessel was not completed and, thus, was not timely delivered in accordance with the terms of the contract.

To resolve this dispute, the Surety proposed Safe Harbor New England Boatworks as the takeover contractor to complete construction of the vessel. Safe Harbor New England Boatworks offered a firm completion cost of \$363,000 to the parties and their legal counsel. Pursuant to an approved settlement plan, the City will be responsible for \$135,000 of the total contract amount of \$363,000, and the Surety will pay the remaining balance of \$228,000. The contract will include a completion date and a penalty clause for any delay, although none is anticipated.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita and Budget Manager Grace Yoon on August 31, 2020, and Assistant Finance Director Sandy Tsang-Palmer on September 1, 2020.

SUSTAINABILITY

The new marine vessel will be compliant with all State of California and local regulations with regard to its engine and pump operation and will use ultralow sulfur diesel fuel.

TIMING CONSIDERATIONS

City Council action is requested on September 15, 2020, to ensure the new contract is in place expeditiously. Delay in approving this recommendation may increase the cost for completion of the patrol vessel and the City will start to incur storage charges.

FISCAL IMPACT

The contract amount for the completion of the patrol vessel will not exceed \$363,000, of which \$135,000 will be funded by the City. An appropriation increase is requested in the amount of \$135,000 in the General Fund Group in the Police Department, offset by previously collected Department of the Treasury (DOT) Asset Forfeiture funds. This purchase complies with the Guide to Equitable Sharing for State and Local Law Enforcement agencies, which is produced by the DOT as well as the Department of Justice and governs the spending of such funds. Routine maintenance, fuel, and future replacement costs will be reimbursed through the Police Department's annual security Memorandum of Understanding (MOU) with the Port of Long Beach. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER