



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-20

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May 9, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-00706 and award contracts to Consolidated Electric Distributors DBA Metropolitan Electrical Distributors, Consolidated Electric Distributors DBA Royal Wholesale Electric and Walter's Wholesale Electric, for furnishing and delivering electrical supplies, in the estimated total annual amount of \$600,000 for the period commencing June 1, 2006, for one year, 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 annual contracts with Consolidated Electric Distributors DBA Metropolitan Electrical Distributors, Consolidated Electric Distributors DBA Royal Wholesale Electric and Walter's Wholesale Electric to furnish and deliver electrical supplies. The City enters into annual contracts for electrical supplies as part of the City's operating expense for facilities maintenance. The contracts combine the estimated requirements Citywide to secure pricing at the highest volume discount available, based on historical expenditures. Awarding multiple contracts allows the City to purchase supplies at the lowest price per item or item group and it provides alternate sources for items that may not be adequately stocked by a single vendor.

On March 15, 2006, 32 potential bidders specializing in electrical supplies were notified of the bid opportunity; four are Minority-owned Business Enterprises (MBEs), five are Women-owned Business Enterprises (WBEs), and two are Long Beach businesses. The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at www.lbpurchasing.org. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 32 local, minority and women's business groups. Bids were opened on April 3, 2006. Consolidated Electric Distributors DBA Metropolitan Electrical Distributors of Los Angeles, CA, Consolidated Electric Distributors DBA Royal Wholesale Electric of Carson, CA, and Walter's Wholesale Electric of Long Beach, CA, were the lowest responsible bidders.

This matter was reviewed by Deputy City Attorney Donna F. Gwin on February 2, 2006 and by Budget Management Officer David Wodynski on April 24, 2006.

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TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-00706 and award the contract concurrently is requested on May 9, 2006 to ensure that a contract is in place by June 1, 2006.

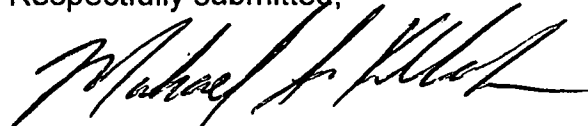
FISCAL IMPACT

The cost of this contract, in the estimated annual amount of \$600,000, is budgeted by various departments. This amount is based on historical expenditures and reflects a decrease of \$25,000 annually in the estimated amount awarded on the previous contract. The term of the contract will be for one year with the option for two additional one-year periods. The City will have the option of adding expenditures up to 10 percent above the contract amount.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

MAK:JV:LB
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APPROVED:



GERALD R. MILLER
CITY MANAGER