

C-9

September 7, 2021

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents, including any necessary amendments, with Ferguson US Holdings, Inc., of Pomona, CA, for furnishing and delivering as-needed plumbing supplies, on the same terms and conditions afforded to the County of Orange, in a total annual amount of \$725,000, with a 20 percent contingency in the amount of \$145,000, for a total contract amount not to exceed \$870,000, until the County of Orange contract expires on February 10, 2024, with the option to renew for as long as the County of Orange is in effect, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Ferguson US Holdings, Inc. (Ferguson), for the furnishing and delivery of as-needed plumbing supplies as part of the City of Long Beach's (City) operating expenses for the repair, replacement, and maintenance of various City facilities.

The Purchasing Division within the Department of Financial Management researched procurement options for as-needed plumbing supplies and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. This research affirmed that the contract between the County of Orange and Ferguson provided the best value to the City.

Ferguson was selected based on its competitive pricing, service level, and breadth of product offerings. Ferguson offers convenient online ordering and has a store location in Long Beach for will-call pickups. Ferguson can provide necessary resources for departments to order as-needed supplies for projects and job-related duties.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 9, 2021, Business Services Bureau Manager Tara Mortensen on August 5, 2021, and by Revenue Management Officer Geraldine Alejo on August 9, 2021.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on September 7, 2021, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total annual amount of the contract will not exceed \$870,000, inclusive of the 20 percent contingency. The cost for this contract is budgeted in various fund groups and departments. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 20 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



for KEVIN RIPER
DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENT: RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE A CONTRACT WITH FERGUSON
6 US HOLDINGS, INC. ON THE SAME TERMS AND
7 CONDITIONS AFFORDED TO ORANGE COUNTY,
8 CALIFORNIA, TO PROVIDE PLUMBING AND VARIOUS
9 SUPPLIES, IN AN ANNUAL AMOUNT OF \$725,000, PLUS A
10 20% CONTINGENCY OF \$145,000, FOR A TOTAL ANNUAL
11 NOT TO EXCEED AMOUNT OF \$870,000, UNTIL THE
12 CURRENT CONTRACT EXPIRES ON FEBRUARY 10, 2024
13

14 WHEREAS, the Charter of the City of Long Beach, Section 1802, permits
15 the City Manager to enter into a contract on behalf of the City, in writing or otherwise,
16 without advertising for bids, for services, supplies, materials, equipment or labor, with
17 other government agencies, when authorized by resolution; and

18 WHEREAS, the City requires as-needed plumbing supplies; and

19 WHEREAS, Ferguson US Holdings, Inc. has a contract with Orange
20 County, California, for plumbing and various supplies, Contract No. MAS-080-19011226
21 ("Orange County Contract"); and

22 WHEREAS, the City's participation in the Orange County Contract will
23 facilitate acquisition of plumbing and various supplies as well as provide considerable
24 cost benefits to the City; and

25 WHEREAS, if the City had to go to formal bid rather than participate in the
26 Orange County Contract considerably more funds would be required;

27 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
28 follows:

OFFICE OF THE CITY ATTORNEY
 CHARLES PARKIN, City Attorney
 411 West Ocean Boulevard, 9th Floor
 Long Beach, CA 90802-4664

1 Section 1. The City Manager or designee is hereby authorized to enter a
 2 contract with Ferguson US Holdings, Inc. for plumbing and various supplies, in the
 3 amount of Seven Hundred Twenty-Five Thousand Dollars (\$725,000), with a twenty
 4 percent (20%) contingency in the amount of One Hundred Forty-Five Thousand Dollars
 5 (\$145,000), for a total amount not to exceed Eight Hundred Seventy Thousand Dollars
 6 (\$870,000), until the current Contract expires on February 10, 2024, and at the discretion
 7 of the City Manager.

8 Section 2. This resolution shall take effect immediately upon its adoption
 9 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

10 I hereby certify that the foregoing resolution was adopted by the City
 11 Council of the City of Long Beach at its meeting of _____, 2021
 12 by the following vote:

13
 14 Ayes: Councilmembers: _____
 15 _____
 16 _____

17
 18 Noes: Councilmembers: _____
 19 _____

20 Absent: Councilmembers: _____
 21 _____

22 Recusal(s): Councilmembers: _____
 23 _____

24
 25
 26
 27
 28

 City Clerk