



CITY OF LONG BEACH

R-9

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

May 15, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-02912 and award a contract to Ferguson Enterprises, Inc., of Long Beach, CA (Local; not an MBE, WBE or SBE), for furnishing and delivering PE pipe and fittings, in an annual amount not to exceed \$240,000, for a period of 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 requested to enter into an annual contract with Ferguson Enterprises, Inc., for furnishing and delivering PE pipe and fittings used by the Long Beach Gas and Oil Department (LBGO) and contractors for the repair, maintenance and construction of the City's natural gas pipeline system, which is necessary for the safe and efficient delivery of natural gas to LBGO customers in Long Beach and Signal Hill.

The bid was advertised in the Press-Telegram on March 22, 2012, and 159 potential bidders specializing in PE pipe and fittings were notified. Of those bidders, 28 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. Two bids were received on April 3, 2012. Of those two bidders, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and one was a Long Beach business (Local). Ferguson Enterprises, Inc., of Long Beach, CA (not an MBE, WBE or SBE), was the lowest responsible bidder.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses were encouraged to submit bids for City contracts. The Purchasing Division also assisted businesses with registering on the Bids Online database to download the bid specifications. Through outreach, four Long Beach vendors were contacted to submit bids, of which three downloaded the bid, and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on May 1, 2012 and Budget Management Officer Victoria Bell on May 2, 2012.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-02912 and award a contract concurrently is requested on May 15, 2012 to ensure that a new contract is in place expeditiously.

FISCAL IMPACT

The cost of this contract, in an annual amount not to exceed \$240,000, is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). The award of this contract will provide continued support to our local economy by assisting in the preservation of seven full-time employees residing in Long Beach with employment.

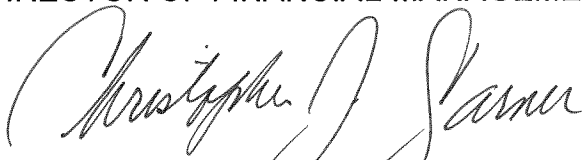
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

APPROVED:


PATRICK H. WEST
CITY MANAGER