

# CITY OF LONG BEACH

FINANCIAL MANAGEMENT DEPARTMENT

# R-16

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February 15, 2011

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to amend Contract No. 31154 with Ferguson Enterprises Inc., a Long Beach-based business, in the amount of \$305,000, bringing the total contract amount not to exceed \$525,500 to fund the purchase of Polyethylene (PE) pipe and fittings. (Citywide)

## DISCUSSION

This contract is used by the Long Beach Gas & Oil (LBGO) Department for the purchase of PE pipe and fittings for the repair, replacement, maintenance, and construction of the City's natural gas pipeline system, as well as the modification of the system for the addition or removal of customer service lines. The various sizes of PE pipe and fittings are required to support the 2011 Gas Main and Service Line Replacement CIP program. This is necessary for the safe and efficient delivery of natural gas to LBGO customers in Long Beach and Signal Hill. The current contract was executed and included the bid specifications for the routine PE pipe and fittings; however, the costs for 2011 CIP projects were not factored in to the requested contract authority at that time. In order to complete the 2011 CIP projects, additional contract authority in the amount of \$305,000 is requested.

The matter was reviewed by Deputy City Attorney Amy R. Burton on January 26, 2011 and Budget Management Officer Victoria Bell on January 27, 2011.

## TIMING CONSIDERATIONS

City Council action is requested on February 15, 2011 to ensure additional funds are added expeditiously and to maintain continuity of services and repairs. The current term expires June 22, 2011.

FISCAL IMPACT

The increase of \$305,000 in the contract amount is being requested to increase the contractual authority. Sufficient funds are currently appropriated in the Gas Fund (EF 301) in the Department of Gas & Oil (GO). The amendment of this contract will provide continued support to our local economy by assisting in the preservation of employment for eight full-time employees residing in Long Beach.

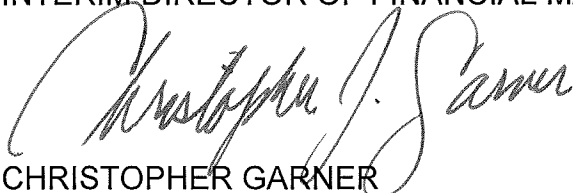
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,




WILLIAM YEOMANS  
INTERIM DIRECTOR OF FINANCIAL MANAGEMENT



CHRISTOPHER GARNER  
DIRECTOR OF LONG BEACH GAS & OIL

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APPROVED:



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PATRICK H. WEST  
CITY MANAGER