



January 20, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California**RECOMMENDATION:**

Adopt Specifications No. RFP GO-14-136 and award a contract to Energy Experts International of Redwood City, CA, to provide consulting services related to natural gas distribution federal regulatory compliance to update U.S. Department of Transportation required manuals and plans, in the amount of \$542,526, and authorize a 5 percent contingency in the amount of \$27,126, for a total contract amount not to exceed \$569,652, for a period of two years, with the option to renew for one additional one-year period, and authorize City Manager or designee to execute all documents necessary to enter into the contract, including any necessary amendments thereto. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Energy Experts International (EEI) for furnishing consulting services related to natural gas distribution federal regulatory compliance to update U.S. Department of Transportation (DOT) required manuals and plans. In August 2013, the DOT implemented new pipeline regulatory inspection protocols requiring a new focus for the comprehensive inspection of the pipeline operator's documented processes and procedures. The DOT requires pipeline operators to have and maintain manuals of written procedures for conducting operations and maintenance activities and emergency response and hazard mitigation, and written plans and programs for pipeline damage prevention, continuing public education, personnel qualification, and distribution integrity management. Long Beach Gas and Oil (LBGO) currently lacks sufficient written documentation of plans, programs, and procedures to meet the new DOT standards.

To address this issue, in August 2014, LBGO released a Request for Proposals (RFP) to identify firms that can assist in the updating/creation of necessary documented specifications. The RFP was advertised in the Press-Telegram on August 13, 2014 and 3,154 potential proposers specializing in natural gas distribution regulatory consulting services were notified of the RFP opportunity. Of those proposers, 27 downloaded the RFP document via our electronic bid system. The RFP 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. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority, and women-owned business groups. Three

proposals were received on August 28, 2014. Of those three proposers, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and none were Long Beach businesses (Local). Energy Experts International (EEI) was determined to be the most qualified vendor as having the technical expertise and resources to work with LBGO staff in order to produce an updated set of manuals and plans.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the RFP specifications. Through outreach, 357 Long Beach vendors were notified to submit bids, of which four downloaded and none 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 Richard Anthony on December 29, 2014 and by Budget Management Officer Victoria Bell on December 31, 2014.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP GO-14-136 and award a contract concurrently is requested on January 20, 2015 to ensure that the contract is in place expeditiously.

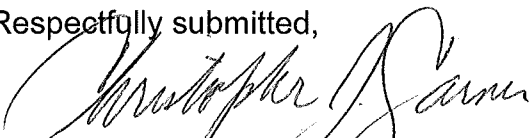
FISCAL IMPACT

The total contract amount of \$569,652 includes a 5 percent contingency of \$27,126, and is budgeted in the Gas Fund (EF 301) in the Department of Long Beach Gas and Oil (GO). This amount addresses all phases of the RFP as provided in Attachment A. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

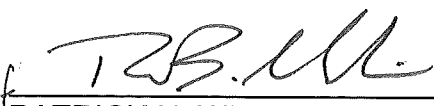
Respectfully submitted,


CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL


JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

Attachment

APPROVED:



PATRICK H. WEST
CITY MANAGER

SCOPE OF WORK OVERVIEW

OPERATIONS & MAINTENANCE MANUAL (O&M)

- Review LBGO operations & develop documentation of relevant policies and procedures
- Ensure all operational activities meet federal 49 CFR 193.605(a) regulations
- Develop Engineering Standards for common operations and maintenance tasks
- Finalize the O&M plan and review with LBGO staff

DISTRIBUTION INTEGRITY MANAGEMENT PLAN (DIMP)

- Review the current DIMP document and complete a gap analysis based on federal 49 CFR 192.1007 regulations
- Identify action areas for modifications to DIMP
- Complete updated DIMP and review with LBGO staff
- Conduct relevant training on updated DIMP priorities

EMERGENCY OPERATIONS PLAN

- Conduct thorough review of the current LBGO Gas Emergency Operations Plan
- Complete gap analysis based on federal 49 CFR 192.615 regulations and the City's Disaster Preparation and Hazard Mitigation Plan
- Prepare an updated conforming Emergency Operations Plan and review with LBGO staff
- Provide training to LBGO staff and targeted workgroups on specific updates

DAMAGE PREVENTION AND PUBLIC AWARENESS PLANS

- Conduct thorough review of current LBGO Damage Prevention and Public Awareness Plans
- Complete gap analysis based on federal 49 CFR 192.614 & 192.616 regulations and the American Petroleum Institute's 1162 requirements
- Prepare an updated conforming Emergency Operations Plan and review with LBGO staff
- Provide training to LBGO staff and targeted workgroups on specific updates

OPERATOR QUALIFICATION (OQ) PLAN

- Review LBGO OQ plan and conduct an analysis on the 49 CFR 192.805 requirements
- Align the OQ plan with the new O&M plan
- Finalize the updated OQ plan and review with LBGO staff
- Conduct appropriate training

LONG-TERM PIPELINE AND OPERATIONS PLAN

- Identify long-term Capital Improvement Program priorities for LBGO pipeline replacement selection
- Complete benchmarking analysis for industry standards, compare LBGO's operational goals to industry and identify variances
- Prepare analysis of LBGO's pipeline replacement investment strategies with industry DIMP standards