

CITY OF LONG BEACH

R-17

DEPARTMENT OF FINANCIAL MANAGEMENT

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August 17, 2010

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-00310 and award contracts to Napa Auto Parts, a Long Beach-based business; Friction Materials Company, a Long Beach-based business; C & C Automotive Distributors, a Long Beach-based business; Battery Systems, Inc., a Long Beach-based business; and, The Truck Lighthouse, of Santa Fe Springs, CA, for the purchase of automotive parts, supplies and batteries in the combined estimated annual amount of \$840,000 including tax, for a one-year term, with the option of renewing for one additional one-year period, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is being requested to enter into annual contracts to furnish and deliver general automotive parts, supplies and batteries to support the City's fleet, which includes Harbor and Water.

Due to the variety of vehicles and equipment in the City's fleet, it is necessary to have multiple vendors available to meet all of the needs of the various City departments. The City previously contracted separately for battery purchases, with AC Delco parts and Motorcraft parts, but chose to combine the contracts in order to achieve volume cost reductions. The Purchasing Division worked with the Fleet Services Bureau to develop a comprehensive bid that encompassed all general automotive parts needs. Based on expenditures from prior years, the combined annual amount is estimated to total \$840,000, including tax. These bid specifications allow the City to achieve economies of scale and ensure the City is receiving the most competitive prices.

The bid for furnishing and delivering general automotive parts was advertised in the Press-Telegram on January 25, 2010, and 195 potential bidders specializing in automotive parts were notified. Of those bidders, 37 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 on Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Twelve bids were received

and a public bid opening occurred on February 9, 2010. Of those 12 bidders, none were Women-owned Business Enterprises (WBEs), one was a Minority-owned Business Enterprise (MBE), three were certified Small Business Enterprises (SBEs) and five were Long Beach businesses (Local). Napa Auto Parts, a Long Beach-based business (not an MBE, WBE, SBE); Friction Materials Company, a Long Beach-based business (not an MBE, WBE, SBE); C & C Automotive Distributors, a Long Beach-based business (not an MBE, WBE, SBE); Battery Systems, Inc., a Long Beach-based business (not an MBE, WBE, SBE); and, The Truck Lighthouse, of Santa Fe Springs, CA (not an MBE, WBE, SBE or Local), were the lowest responsible bidders.

Local Business Outreach

Our outreach goal during the bid process is to encourage Long Beach businesses to take advantage of local preferences offered by the City and submit bids for City contracts. We assist businesses with registering on our Bids Online database to download the bid specifications. Of the Long Beach businesses registered for providing general automotive parts, there were 25 businesses able to provide general automotive parts. In the years past, the City has only received bids from three Long Beach businesses. This year, we received five bids from Long Beach businesses, expanding the City's bidder pool and leading to requested contracts with four local businesses.

This matter was reviewed by Deputy City Attorney Amy R. Burton on July 19, 2010 and Budget Management Officer Victoria Bell on July 21, 2010.

TIMING CONSIDERATIONS

City Council action is requested on August 17, 2010, to adopt specifications and award contracts expeditiously. Currently, an interim purchase order is in place to ensure continuity.

FISCAL IMPACT

Sufficient funds to cover the total estimated contract cost of \$840,000 are budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW) for \$700,000; in the Harbor Department (HA) for \$50,000; and, in the Water Department (WA) for \$90,000. Public Works' costs are recovered through maintenance charges to the user departments. The term of the contracts will be for one year, with the option for one additional one-year period. The award of this contract will provide continued support to the local economy by assisting in the preservation of employment for 29 full-time employees residing in Long Beach.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,




LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

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APPROVED:



PATRICK H. WEST
CITY MANAGER