


BOARD OF UTILITIES COMMISSIONERS

1800 E. Wardlow Road, Long Beach, CA 90807
562.570.2300 | LBUtilities.org

September 28, 2023

Recommendation

Adopt Resolution UT-1495 authorizing the General Manager to execute a contract, and any necessary subsequent amendments, with Ferguson US Holdings, Inc., (Ferguson) to furnish and deliver as-needed plumbing supplies, on the same terms and conditions afforded to the County of Orange, in a total annual amount not to exceed \$1,500,000 until the County of Orange contract expires on February 10, 2024, with the option to renew for as long as the County of Orange contract is in effect.

Executive Summary

The City 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 located 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.

LBUD requests to establish a contract with Ferguson US Holdings, Inc., by relying on the City's review and selection process to piggyback on the County of Orange contract to furnish and deliver as-needed plumbing supplies. The City Charter allows for this alternative procurement method to purchase or otherwise obtain services, supplies, materials, equipment, and labor when authorized by a Resolution adopted by the Board of Utilities Commissioners.

Fiscal Impact

The cost to the Water, Gas, and Sewer Funds will be incurred in FY 24 - FY 25, with the actual amounts unknown at this time but the total annual amount will not exceed \$1,500,000. These costs are included in the FY 24 budgets and financial projections.

Tai Tseng
Assistant General Manager

Christopher J. Garner
General Manager

Attachment

RESOLUTION NO. UT-1495

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN AGREEMENT WITH FERGUSON US HOLDINGS, INC., TO PROVIDE PLUMBING AND VARIOUS SUPPLIES, ON THE SAME TERMS AND CONDITIONS AFFORDED TO ORANGE COUNTY, CALIFORNIA, IN AN ANNUAL AMOUNT NOT TO EXCEED \$1,500,000, UNTIL THE CURRENT CONTRACT EXPIRES ON FEBRUARY 10, 2024, WITH THE OPTION TO RENEW FOR AS LONG AS THE ORANGE COUNTY CONTRACT IS IN EFFECT, AT THE DISCRETION OF THE GENERAL MANAGER

WHEREAS, the Charter of the City of Long Beach (the “City”), Section 1802, permits the City and its Boards to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the Board of Public Utilities Commissioners (“Board”) requires as-need plumbing supplies; and

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

WHEREAS, the Board’s participation in the Orange County Contract will facilitate acquisition of the as-needed plumbing supplies as well as provide considerable cost benefits to the Board; and

WHEREAS, if the Board had to go to formal bid rather than participate in

1 the Orange County Contract considerably more funds would be required;

2 NOW, THEREFORE, the Board of Public Utilities Commissioners of the
3 City of Long Beach resolves and declares as follows:

4 Section 1. The above recitals are true and correct and are incorporated
5 herein by this reference.

6 Section 2. The Board hereby authorizes the General Manager to enter
7 an agreement with Ferguson US Holdings, Inc. to provide plumbing supplies on an as-
8 needed basis, of substantially the same type afforded to Orange County, California
9 except as modified by mutual agreement of the Board and Ferguson US Holdings, Inc. in
10 an annual amount not to exceed One Million Five Hundred Thousand Dollars
11 (\$1,500,000), until Orange County Contract No. MAS-080-19011226 expires on February
12 10, 2024, with the option to renew for as long as the Orange County Contract is in effect,
13 at the discretion of the General Manager.

14 Section 3. This Resolution shall take effect immediately upon its
15 adoption by the Board, and the Secretary to the Board shall certify the vote adopting this
16 Resolution.

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1 I hereby certify that this Resolution was adopted by the Board of Public
2 Utilities Commissioners of the City of Long Beach at its meeting on
3 _____, 2023, by the following vote:

4 Ayes: Commissioners: _____

5 _____

6 _____

7 _____

8 _____

9 Noes: Commissioners: _____

10 Absent: Commissioners: _____

11 _____

12 Secretary
13 Board Of Public Utilities Commissioners

14 OFFICE OF THE CITY ATTORNEY
15 DAWN MCINTOSH, City Attorney
16 411 West Ocean Boulevard, 9th Floor
17 Long Beach, CA 90802-4664

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