

C-8

October 12, 2021

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary amendments, with Koppl Pipeline Services, Inc., of Montebello, CA, to furnish and deliver pipeline stopper fittings and perform tapping and stopping services for natural gas pipelines, in a total annual amount not to exceed \$400,000, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Koppl Pipeline Services, Inc. (Koppl), to furnish and deliver pipeline stopper fittings and perform tapping and stopping services for Long Beach Energy Resources Department's (ER) natural gas pipelines to safely and efficiently stop the flow of natural gas during replacement and/or maintenance operations.

Koppl is the only supplier in Southern California of the fittings and tapping/stopping services for natural gas pipelines greater than 12 inches in diameter that is compatible with ER's operations and maintenance (O&M) standards and requirements. ER operates over 28 miles of natural gas pipelines that are greater than 12 inches in diameter in its system. These larger diameter pipelines form part of the backbone of the City's natural gas delivery system. ER does not own or possess the tools and equipment necessary to control and stop the flow of natural gas on these larger pipelines and must rely on aging valves to control and stop natural gas flow to perform replacement and/or maintenance repairs. In addition, experience has shown that these aging valves tend to bypass or vent when closed and do not completely stop the flow of natural gas. While other vendors offer similar services, their equipment is not compatible with ER's O&M standards and requirements.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process but allows for awards without a competitive bid process when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on August 30, 2021, Business Services Bureau Manager Tara Mortensen on August 31, 2021, and by Revenue Management Officer Geraldine Alejo on September 13, 2021.

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TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on October 12, 2021, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total annual amount of the contract will not exceed \$400,000. Sufficient funds to support this contract are budgeted in the Gas Fund Group in the Energy Resources Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted



ROBERT M. DOWELL
DIRECTOR OF ENERGY RESOURCES

APPROVED:



THOMAS B. MODICA
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH KOPPL PIPELINE SERVICES, INC., WITHOUT ADVERTISING FOR BIDS, FOR FURNISHING AND DELIVERING PIPELINE STOPPER FITTINGS AND PERFORMANCE OF TAPPING AND STOPPING SERVICES FOR NATURAL GAS PIPELINES IN AN ANNUAL AMOUNT NOT TO EXCEED \$400,000 FOR A PERIOD OF TWO YEARS WITH THE OPTION TO RENEW FOR THREE ADDITIONAL ONE-YEAR PERIODS

WHEREAS, Long Beach Energy Resources (“ER”) operates over 28 miles of natural gas pipelines that are greater than 12-inches in diameter; and

WHEREAS, these larger diameter pipelines form part of the backbone of the City’s natural gas delivery system; and

WHEREAS, ER does not possess the tools and equipment necessary to safely control and stop the flow of natural gas on these larger pipelines and must rely on aging valves to control and stop gas flow; and

WHEREAS, these aging valves tend to bypass or vent when closed and not completely stop the flow of gas; and

WHEREAS, Koppl Pipeline Services, Inc. is the only company that has compatible equipment with ER’s older large diameter pipelines, which, in aggregate, total more than half of the existing pipelines greater than 12-inches in diameter; and

WHEREAS, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public

1 funds because Koppl Pipeline Services, Inc. is the only corporation, firm or individual that
2 could or would bid to furnish and deliver pipeline stopper fittings for pipelines greater than
3 12-inches in diameter that are compatible with ER's older pipelines;

4 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
5 follows:

6 Section 1. The City Manager is hereby authorized to enter a contract,
7 without advertising for bids, with Koppl Pipeline Services, Inc. for furnishing and delivering
8 pipeline stopper fittings and perform tapping and stopping services for natural gas pipelines
9 greater than 12-inches in diameter for a period of two (2) years in an annual amount not to
10 exceed Four Hundred Thousand Dollars (\$400,000). The contract may be extended for
11 three (3) additional one-year periods, at the discretion of the City Manager. If the sole
12 source status of Koppl Pipeline Services, Inc. changes, City shall publicly bid instead of
13 extending the contract.

14 Section 2. This resolution shall take effect immediately upon its adoption
15 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
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I hereby certify that the foregoing resolution was adopted by the City Council
of the City of Long Beach at its meeting of _____, 2021
by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk