



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-10

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

December 11, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-04412 and award a contract to Volvo Construction Equipment and Services, of Corona, CA (not an MBE, WBE, SBE or Local), for the purchase of one Volvo L45G articulated wheel loader, in an amount not to exceed \$111,091, including tax. (Citywide)

DISCUSSION

City Council approval is being requested to enter into a contract for the purchase of one L45G articulated wheel loader from Volvo Construction Equipment and Services.

The Department of Financial Management, Fleet Services Bureau, has an immediate need to purchase one articulated wheel loader as part of the City's FY 12 vehicle replacement plan. The regular replacement cycle for off-road equipment of this type is 12 years. The unit being replaced is now 17 years old and beyond its useful life. The Department of Public Works, Street Surfaces Division, uses this primary equipment to aid in the transport of asphalt-related maintenance of all street surfaces throughout the City.

The bids were advertised in the Press-Telegram on August 17, 2012 and 260 potential bidders specializing in articulated wheel loaders were notified of the bid opportunity. Of those bidders, nine downloaded the bids 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 of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Three bids were received on August 28, 2012. Of those three bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), none were certified Small Business Enterprises (SBEs), and one was a Long Beach business (Local). Volvo Construction Equipment, of Corona, CA (not an MBE, WBE, SBE or Local), was the lowest responsible bidder.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses were encouraged to submit bids for City contracts. The Purchasing Division assisted businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 53 Long Beach vendors were notified to submit bids, of which one downloaded and 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 Amy R. Webber on November 9, 2012 and Budget Management Officer Victoria Bell on November 21, 2012.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-04412 and award a contract concurrently is requested on December 11, 2012 to expedite the purchase of this wheel loader.

FISCAL IMPACT

The cost of this contract, in an amount not to exceed \$111,091, including tax, is budgeted in the Fleet Services Fund (IS 386) in the Department of Financial Management (FM). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



**JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT**

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APPROVED:



**PATRICK H. WEST
CITY MANAGER**