



CITY OF LONG BEACH

FINANCIAL MANAGEMENT DEPARTMENT

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March 18, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB LB-14-019 and award contracts to B & B Industries, Inc., dba B & B Supply, a Long Beach-based business (WBE and LSBE), and Phillips Steel Company, a Long Beach-based business (LSBE), for furnishing and delivering miscellaneous hand and power tools, in a combined annual amount not to exceed \$340,000, for a period of two years, with options to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into annual contracts with B & B Supply and Phillips Steel Company for furnishing and delivering miscellaneous hand and power tools. These contracts are utilized by various City departments to ensure that the City's facilities are maintained and adequate tools and materials are available for ongoing maintenance. The contracts combine the estimated requirements for all facilities with similar needs to secure pricing at the highest volume discount. The City has successfully used multiple contract awards in prior agreements to ensure adequate stock is available at the lowest cost. Both vendors, B & B Supply and Phillips Steel Company, held the previous contracts, which expired on February 1, 2014.

The bid was advertised in the Press-Telegram on January 2, 2014, and 3,247 potential bidders specializing in hand and power tools were notified of the bid opportunity. Of those bidders, 47 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 of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Three bids were received on January 28, 2014. Of those three bidders, one was a Minority-owned Business Enterprise (MBE), none were Women-owned Business Enterprises (WBE), two were certified Small Business Enterprises (SBE), and two were Long Beach businesses (Local). B & B Industries, Inc., dba B & B Supply, a Long Beach-based business, and Phillips Steel Company, a Long Beach-based business, were the lowest responsible bidders.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download bid specifications. Through outreach, 298 Long Beach vendors were notified to submit bids, of which eight downloaded and three 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 February 20, 2014 and by Budget Management Officer Victoria Bell on February 26, 2014.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB LB-14-019 and award contracts concurrently is requested on March 18, 2014 to ensure that the contracts are in place expeditiously.

FISCAL IMPACT

Sufficient funds to cover the annual combined amount not to exceed \$340,000 are budgeted in various departments and in various funds. The award of these contracts will provide continued support to our local economy by assisting in the preservation of 19 full-time employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER