

July 14, 2020

C-6

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 33751 with Ganahl Lumber Company, of Anaheim, CA, for furnishing and delivering as-needed lumber, equipment, and related material, to increase the contract amount by \$300,000, inclusive of \$50,000 from an interim contract and \$250,000 in new authority, for a revised total contract amount not to exceed \$920,000, and extend the term of the contract to June 1, 2021; and,

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 33752 with Penn Forest Products, Inc., of Carson CA, for furnishing and delivering as-needed lumber, equipment, and related material, to increase the contract amount by \$300,000, inclusive of \$50,000 from an interim contract and \$250,000 in new authority, for a revised total contract amount not to exceed \$580,000, and extend the term of the contract to June 1, 2021. (Citywide)

DISCUSSION

City Council approval is requested to amend Contracts No. 33751 and 33752 with Ganahl Lumber Company (Ganahl Lumber) and Penn Forest Products, Inc. (Penn Forest), respectively, by increasing the contracts by \$300,000 each, and extending the term of the contracts to June 1, 2021.

At its meeting on February 17, 2015, the City Council awarded contracts to Ganahl Lumber and Penn Forest, for furnishing and delivering as-needed lumber, equipment, and related material, in an annual aggregate amount not to exceed \$300,000, for a period of two years, with the option to renew for an additional one year. The contracts expired on March 5, 2019. To ensure the continuity of services, interim Munis Contracts No. 3190000028 and 32000683 were issued for \$50,000 each in an aggregate total amount not to exceed \$100,000, and were issued pursuant to the City's purchasing guidelines. These interim contracts expired May 30, 2020, and the authorized amounts have been exhausted.

Due to the impacts of COVID-19, it has become more prudent to extend the original contracts to allow for continuity of services while continuing to respond to the public emergency. The requested amendments increasing each contract by \$300,000, inclusive of the prior interim amounts of \$50,000, plus an additional \$250,000, will provide for services through June 1, 2021.

This matter was reviewed by Deputy City Attorney Amy R. Webber on June 26, 2020, Deputy Finance Director Sandy Tsang-Palmer on June 22, 2020, and by Budget Management Officer Rhutu Amin Gharib on June 29, 2020.

TIMING CONSIDERATIONS

City Council action to amend Contracts No. 33751 and 33752 is requested on July 14, 2020, to ensure there is no interruption to services.

FISCAL IMPACT

The original contracts with Ganahl Lumber and Penn Forest will increase by \$300,000 each, for a new aggregate amount of \$1,500,000. This amount includes the previous interim contracts of \$50,000 each, which were issued under the City's purchasing guidelines and are acknowledged as part of the overall contract amount. These recommendations will add an additional \$250,000 of new spending authority to each original contract through June 1, 2021. Sufficient funds are budgeted across various departments and funds. This recommendation has no staffing impact beyond the normal budget scope of duties and are consistent with existing City Council priorities. The amendments of these contracts will provide continued support to our local economy by assisting in the preservation of employment for 26 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER