



January 8, 2008

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Adopt the attached Resolution authorizing the City Manager to execute an agreement with Elster American Meter to provide residential and light industrial meter equipment and various parts in an amount up to \$500,000. The term of the contract will be for one year with the option for two additional one-year extension periods, which will be executed at the discretion of the City Manager. (Citywide)

**DISCUSSION**

City Council approval is requested to enter into an agreement with Elster American Meter (Elster) for the purchase of residential and light industrial meter equipment and various parts to be utilized by the Long Beach Gas and Oil Department (LBGO) for the safe and efficient delivery of natural gas to LBGO customers in Long Beach and Signal Hill.

Elster is the sole manufacturer and distributor of this proprietary meter equipment, on which LBGO has standardized operations. In order to reduce stock requirements for multiple types of equipment, and avoid additional training requirements for staff, LBGO is requesting to purchase these items from Elster without advertising for bids.

This matter was reviewed by Deputy City Attorney Richard Anthony on December 4, 2007 and by Budget Management Officer Victoria Bell on December 6, 2007.

**TIMING CONSIDERATIONS**

City Council approval is requested on January 8, 2008 to authorize the purchase of necessary meter equipment for the repair and maintenance of the City's gas supply system.

**FISCAL IMPACT**

The cost of this agreement, in the amount not to exceed \$500,000, is included in the Gas Fund (EF 301) and in the Long Beach Gas and Oil Department (EN). LBGO customer charges compensate for the cost of equipment used to provide a safe gas supply system.

HONORABLE MAYOR AND CITY COUNCIL

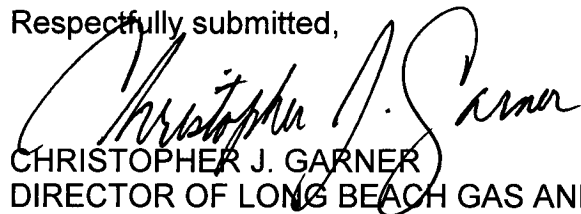
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

CJG: LHT::SWJ

U:\Leslie Gas Files\Memos\Council letter - Exception to Waive - Elster American - January 2008.doc

Attachment

APPROVED:

  
for \_\_\_\_\_  
PATRICK H. WEST  
CITY MANAGER

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2  
3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH AUTHORIZING THE CITY  
5 MANAGER TO EXECUTE AN AGREEMENT WITH ELSTER  
6 AMERICAN METER WITHOUT ADVERTISING FOR BIDS  
7 FOR FURNISHING ELSTER AMERICAN GAS  
8 REGULATORS AND METERS

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10 WHEREAS, the Long Beach Gas & Oil Department ("LBGO") requires to  
11 purchase natural gas flow regulators and meters in order to uphold current customer  
12 service and safety standards maintained by LBGO; and

13 WHEREAS, LBGO currently uses flow regulators and meters manufactured  
14 by Elster American Meter ("Elster American"); and

15 WHEREAS, LBGO currently possesses an inventory of replacement parts  
16 for such Elster American flow regulators and meters and LBGO employees are trained to  
17 repair and maintain such flow regulators and meters; and

18 WHEREAS, Elster American is the only dealer authorized to sell Elster  
19 American flow regulators and meters to municipalities located in southern California; and

20 WHEREAS, no useful purpose would be served by advertising for bids for  
21 Elster American flow regulators and meters and to do so would constitute an idle and  
22 useless act and an unnecessary expenditure of public funds;

23 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
24 follows:

25 Section 1. That the above recitals are true and correct and are  
26 incorporated herein.

27 Section 2. The City Manager is hereby authorized to enter into a one-year  
28 agreement with Elster American for the purchase of flow regulators and meters in an

1 amount not to exceed \$500,000, and such agreement shall be extended for two  
2 additional one-year periods at the option of the City Manager.

3 Section 3. This resolution shall take effect immediately upon its adoption by  
4 the City Council, and the City Clerk shall certify to the vote adopting this resolution.

5 I hereby certify that the foregoing resolution was adopted by the City  
6 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2008 by the  
7 following vote:

8  
9 Ayes: Councilmembers: \_\_\_\_\_

10 \_\_\_\_\_

11 \_\_\_\_\_

12 \_\_\_\_\_

13 Noes: Councilmembers: \_\_\_\_\_

14 \_\_\_\_\_

15 Absent: Councilmembers: \_\_\_\_\_

16 \_\_\_\_\_

17 \_\_\_\_\_

18 \_\_\_\_\_  
City Clerk

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