



CITY OF LONG BEACH

C-5

DEPARTMENT OF FINANCIAL MANAGEMENT

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June 9, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-01409 and award contract to Ferguson Enterprises, Inc., for the purchase of Polyethylene (PE) Pipe & Fittings in the annual contract amount of \$105,000 for a period of one year, with the option of renewing for two additional one-year periods, at the discretion of the City Manager, with the option to add expenditures up to 10 percent (or \$10,500) above the annual contract amount, if necessary and if funds are available. (Citywide)

DISCUSSION

City Council approval is requested to enter into an annual contract for the purchase of PE pipe & fittings used by the Long Beach Gas and Oil Department (LBGO) for the repair, maintenance and construction of the City's natural gas pipeline system, which is necessary for the safe and efficient delivery of natural gas to LBGO customers in Long Beach and Signal Hill.

The bid was advertised on March 23, 2009, and 23 potential bidders specializing in PE pipe were notified; five are Woman-owned Business Enterprises (WBEs), four are Minority-owned Business Enterprises (MBEs), five are Small Business Enterprises (SBEs) and four are Long Beach businesses. 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 on Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Four bids were received and a public bid opening occurred on April 9, 2009. Ferguson Enterprises, Inc., of Long Beach, CA (local) is the lowest responsible bidder.

This matter was reviewed by Deputy City Attorney Amy R. Burton on May 18, 2009 and Budget and Performance Management Bureau Manager David Wodynski on May 20, 2009.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01409 and award the contract concurrently is requested on June 9, 2009 to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The cost of this contract is \$105,000 annually and is budgeted in the Gas Fund (EF 301) in the Long Beach Gas & Oil Department (EN). The City will have the option of adding expenditures up to 10 percent (or \$10,500) above the annual contract amount, if necessary and if funds are available.

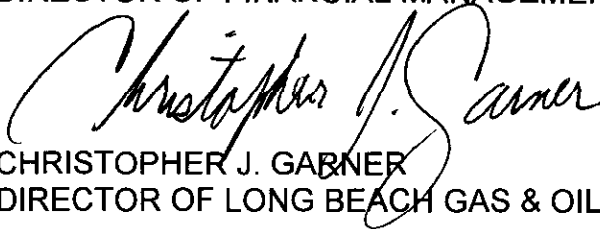
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS & OIL

APPROVED:



PATRICK H. WEST
CITY MANAGER