

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-5

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

September 14, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Adopt Specifications No. PA-02604 and Award Contracts to Phillips Steel Company, Inc., and B & B Supply to Furnish and Deliver Miscellaneous Hand Tools (Citywide)

DISCUSSION

City Council approval is being requested to enter into a citywide contract for miscellaneous hand tools. The contract combines the estimated requirement for maintenance of all facilities with similar needs in order to secure pricing at the highest volume discount. Multiple awards are recommended to ensure adequate stock is available at the lowest cost.

The bid was advertised on July 27, 2004, and bids were opened on August 10, 2004. The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at www.lbpurchasing.org. Eighteen potential bidders specializing in providing miscellaneous hand tools were notified; one is a Minority-owned Business Enterprise (MBE), four are Women-owned Business Enterprises (WBEs) and three are Long Beach businesses. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities sent to 32 local, minority and women's groups. Phillips Steel Company, Inc., of Long Beach, California, and B & B Supply of Long Beach, California, were the lowest responsible bidders.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on July 8, 2004 and Budget Management Officer David Wodynski on September 3, 2004.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-02604 and award contracts concurrently, is requested on September 14, 2004 to ensure that new contracts are in place expeditiously.

FISCAL IMPACT

The cost of the contracts, in the estimated amount of \$200,000 annually, is budgeted in the General Fund of various participating departments. This estimate is based on historical expenditures. The City will have the option of adding expenditures up to 10 percent above the contract amount.

IT IS RECOMMENDED THAT THE CITY COUNCIL:


- 1) Adopt Specifications No. PA-02604 and award contracts to Phillips Steel Company, Inc., and B & B Supply to furnish and deliver miscellaneous hand tools in the estimated annual amount of \$200,000. The term of the contracts will be for one year, with the option for two additional one-year periods.
- 2) Authorize amendments to exercise the City's option to renew where noted and authorize the City Manager to execute same.

Respectfully submitted,



MICHAEL A. KILLEBREW
ACTING DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER