



May 5, 2015

HONORABLE MAYOR AND CITY COUNCILCity of Long Beach
California**RECOMMENDATION:**

Adopt Specifications No. ITB GO 15-062 and award a contract to Independent Electric Supply, Inc., dba Independent Utility Supply, of Tracy, CA, for furnishing and delivering Mueller products, in an annual amount not to exceed \$235,000, for a period of two years, with the option 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 an annual contract with Independent Utility Supply for furnishing and delivering Mueller products used by the Long Beach Gas and Oil Department (LBGO). These products are predominantly gas control fittings and equipment, which are specialized pipeline components used by LBGO to safely control the flow of natural gas to maintain the City's natural gas distribution system. Mueller fittings are proprietary, for use with other Mueller equipment currently utilized by LBGO. In addition, LBGO's personnel have been exclusively trained in operating Mueller brand pipeline equipment. Purchasing products other than those manufactured by Mueller will not be cost effective for the City.

The bid was advertised in the Press-Telegram on March 5, 2015, and 3,283 potential bidders specializing in Mueller products were notified of the bid opportunity. Of those bidders, 36 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. One bid was received on March 16, 2015. Independent Electric Supply, Inc., dba Independent Utility Supply, of Tracy, CA, not a Minority-owned Business Enterprise (MBE), not a Women-owned Business Enterprise (WBE), not a certified Small Business Enterprise (SBE), or a Long Beach business (Local), was the sole bidder.

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 the bid specifications. Through outreach, 301 Long Beach vendors were notified to submit bids, of which two downloaded; however, none 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 Richard Anthony and by Budget Management Officer Victoria Bell on April 8, 2015.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB GO 15-062 and award a contract concurrently is requested on May 5, 2015, to ensure that the contract is in place expeditiously.

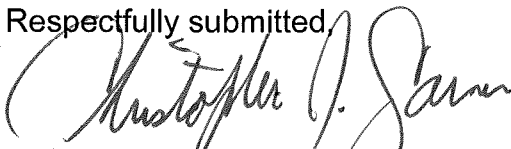
FISCAL IMPACT

The requested contract authority is for an annual amount not to exceed \$235,000, for a period of two years with the option to renew for two additional one-year periods. The total contract authority requested is in an amount not to exceed \$940,000. For FY 2015, the amount of \$235,000 is budgeted in the Gas Fund (EF 301) and in the Department of Long Beach Gas and Oil (GO) to support this activity. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER