

## **C-6**

June 15, 2021

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

### RECOMMENDATION:

Adopt Specifications No. ITB ER21-028 and award a contract to Phillips Steel Company, of Long Beach, CA, for furnishing and delivering fusion-bonded epoxy-coated steel pipe, in a total annual amount not to exceed \$600,000, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments. (Citywide)

### DISCUSSION

City Council approval is requested to enter into a contract with Phillips Steel Company for furnishing and delivering fusion-bonded epoxy-coated (FBE) steel pipe. The City of Long Beach Energy Resources (ER) estimates 40 percent of upcoming natural gas pipeline replacement projects will require steel pipe installation.

The bid was advertised in the Long Beach Press-Telegram on February 23, 2021, and 314 potential bidders specializing in FBE steel pipe were notified of the bid opportunity. Of those bidders, 13 downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at [www.longbeach.gov/purchasing](http://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 35 local, minority-owned, and women-owned business groups. Two bids were received on March 23, 2021. Of those two bidders, none were Minority-owned Business Enterprises (MBEs) or Women-owned Business Enterprises (WBEs), two were certified Small Business Enterprises (SBEs), and two were Long Beach businesses (Local). Phillips Steel Company, of Long Beach, CA (Local), was the lowest responsible bidder.

Phillips Steel Company is a local business, allowing fast and reliable delivery of FBE steel pipe. ER estimates that 25 percent of the annual purchase will be allocated to projects that ER will perform upon request of other agencies and be reimbursed for the work. To reduce overall costs, ER, in conjunction with the Purchasing Division, competitively bid the purchase of the FBE steel pipe and contracted separately for the actual installation of the pipe.

**Local Business Outreach**

To align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download bid specifications. Through outreach, 37 Long Beach vendors were notified to submit bids, of which two downloaded and 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 F. Anthony on May 12, 2021, Business Services Bureau Manager Tara Mortensen on May 10, 2021, and by Revenue Management Officer Geraldine Alejo on May 18, 2021.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB ER21-028 and award a contract concurrently is requested on June 15, 2021, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total annual amount of the contract will not exceed \$600,000 for furnishing and delivering fusion-bonded epoxy-coated steel pipe. Sufficient funding to support the contract is budgeted in the Gas Fund Group in the Energy Resources Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for three full-time employees residing in Long Beach.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



ROBERT M. DOWELL  
DIRECTOR OF ENERGY RESOURCES

APPROVED:



THOMAS B. MODICA  
CITY MANAGER