



April 5, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Request the City Attorney to prepare and authorize the City Manager to execute an amendment to Contract 31544, extending the term to May 31, 2011 and increasing the previously authorized amount of \$2,141,677 by \$58,323, for a new total of \$2,200,000, for the relocation of natural gas pipelines. (Citywide)

DISCUSSION

The Long Beach Gas and Oil Department (LBGO) is actively engaged in various infrastructure improvement projects throughout the City to improve the City's natural gas pipeline system. City Council adopted LBGO Plans and Specifications G-271 on March 9, 2010 to complete five major pipeline projects (attached). Four projects are complete. The last project, in the Port of Long Beach, required adjustments to accommodate future construction of the Gerald Desmond Bridge replacement. The bridge project Environmental Impact Report was certified in July 2010, after design of the pipeline. Subsequently, additional work is required for the bridge accommodation, adding \$58,323 in unanticipated expenses beyond the authorized amount. The Port of Long Beach will fund the increased cost.

City Council adoption of both the term extension and increased amount are being recommended concurrently to expedite project completion.

In accordance with the California Environmental Quality Act, Categorical Exemption Number CE-05-10 has been issued for this project.

This matter was reviewed by Deputy City Attorney Richard Anthony on March 7, 2011 and Budget Management Officer, Victoria Bell, on March 9, 2011.

TIMING CONSIDERATIONS

City Council action is requested on April 5, 2011, to authorize completion of this project. Construction is anticipated to be complete in April 2011.

HONORABLE MAYOR AND CITY COUNCIL

April 5, 2011

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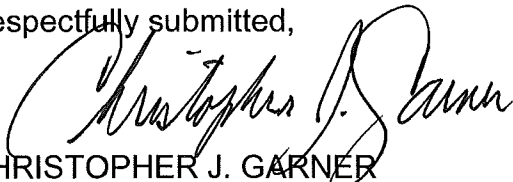
FISCAL IMPACT

The current contract is approved at \$2,141,677. The requested change will extend the term through May 31, 2011 and increase the full contract amount to \$2,200,000 (adding \$58,323). The expense associated with the increase is fully offset and funded by the Port of Long Beach. The required funding for the entire project is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). There is no impact to the General Fund and no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:SCB
CCL 4-5-11. AMENDMENT G-271 CONTRACT.DOC

ATTACHMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER



March 9, 2010

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Plans and Specifications No. G-271 for gas main and service line relocation; authorize the City Manager to execute a contract with ARB, Inc., in an amount not to exceed \$1,862,328 plus a 15 percent contingency, as necessary, to address unforeseen issues related to the construction of this project. (Citywide)

DISCUSSION

The Plans and Specifications include five separate projects, two within Port of Long Beach (POLB) jurisdiction, and three citywide. To accommodate port expansion, it is necessary to relocate various elements of the natural gas infrastructure. This work is estimated to cost \$1,131,688 and will be paid by POLB through a reimbursement agreement. The other work will be done on streets throughout the city and allows for storm drain construction and replacement of portions of the aging natural gas pipeline distribution system. All work will be done by ARB, Inc., and managed by Long Beach Gas and Oil Department (LBGO). The materials and supplies required for the projects will be purchased under separate contracts. In accordance with the California Environmental Quality Act, Categorical Exemption Number CE-05-10 has been issued for this project. City Council adoption of both the plans and specifications and the award of the contract are being recommended concurrently to expedite project implementation.

An invitation to bid was advertised in the Press-Telegram on December 28, 2009. 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. Six potential bidders attended the Bidder's Conference on January 13, 2010 and three bids were received and publicly opened on January 21, 2010. Of those three bidders, one is a Minority-owned Business Enterprise (MBE), none are Woman-owned Business Enterprises (WBEs), none are Small Business Enterprises (SBEs), and none are Long Beach businesses. ARB, Inc., of Lake Forest, CA (not a WBE, MBE, SBE, or a Local) is the lowest responsible bidder. Information regarding the bid and ARB, Inc., is available in the contract award document (Schedule "A").

Local Business Outreach

In a continuing effort to increase participation of the Long Beach businesses, bids were sent to trade publications catering to the Construction industry. In addition, we reviewed other local resources in order to find a local contractor but there were no local contractors that specialize in the construction or relocation of natural gas pipelines. Our outreach goal during the bid process is to encourage Long Beach businesses to take advantage of local preferences offered by the City and submit bids for the City contracts.

This matter was reviewed by Deputy City Attorney Richard Anthony on February 19, 2010 and Budget Management Officer Victoria Bell on February 17, 2010.

TIMING CONSIDERATIONS

City Council action is requested on March 9, 2010, to authorize commencement of this project. Construction is anticipated to begin in April 2010 and work should be complete by September 2010.


FISCAL IMPACT

The contract award is for an estimated amount of \$1,862,328 plus a contingency amount of \$279,349. Funding for the portion of the work being done in the port area (\$1,131,688) will be reimbursed by the POLB. The required funding for the entire project is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (EN). There is no General Fund impact.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:SCB
COL 3-09-10.G-271 CONTRACT.DOC

Attachment: Schedule "A"

APPROVED:


PATRICK H. WEST
CITY MANAGER

SCHEDULE "A"

Recommended Contract Awards For March 9, 2010

<u>PROJECT NUMBER</u>	<u>DESCRIPTION</u>	<u>FUNDING SOURCE</u>	<u>LOWEST RESPONSIVE BIDDER/LOCATION</u>	<u>AWARD AMOUNT</u>
G-271	RELOCATION OF NATURAL GAS PIPELINES (CITYWIDE)	GAS CAPITAL FUND (EF 301)	ARB, INC. 26000 COMMERCENTRE DRIVE LAKE FOREST, CA 92630	\$1,862,328 \$279,349 (Contingency)

There were eleven Plans and Specifications distributed. Three bids were received, one from a Minority-owned Business and none from WBEs, SBEs or Local.

Richard Anthony, Deputy City Attorney, approved the Plans and Specifications on November 23, 2009.

PROCUREMENT OUTREACH: Advertisements were placed in the Press -- Telegram. In a continuing effort to increase participation of Long Beach businesses, MBEs, and WBEs, bids for construction projects exceeding \$100,000 are sent to trade publication catering to the Construction industry.