



June 23, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California**RECOMMENDATION:**

Adopt Plans and Specifications No. ITB GO15-080 (G-330) for pipeline replacement to improve distribution system integrity; award the contract to ARB, Inc., of Lake Forest, CA, in the amount of \$1,321,472, and authorize a 15 percent contingency in the amount of \$198,221 for a total contract amount not to exceed \$1,519,693; and authorize the City Manager or designee to execute all documents necessary to enter into the contract, including any necessary amendments thereto. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with ARB, Inc. The Long Beach Gas and Oil Department (LBGO) is requesting approval of plans, specifications, and construction activities identified in bid G-330. The proposed work complies with federal regulations by addressing priorities identified in LBGO's Distribution Integrity Management Plan, which classifies pipeline system weaknesses and specific measures necessary to ensure the safe and efficient delivery of natural gas to LBGO customers. In Long Beach, an identified key system risk relates to sections of pipeline that might have a propensity for leakage due to varying factors. These factors that lead to a tendency for a pipeline to leak include age, construction practices and materials used during installation, pipe specifications, soil conditions, and level of maintenance.

The G-330 specifications identify work proposed for completion during the 2015 fiscal year at various locations throughout the city. When complete, the overall system integrity will improve through the replacement of approximately 12,300 feet of aging pipeline and upgrading about 260 service connections to customers. The selected vendor, ARB, Inc., has worked with the City before and is well versed in meeting the federal requirements for pipeline installation contractors.

HONORABLE MAYOR AND CITY COUNCIL

June 23, 2015

Page 2

The bid was advertised in the Press-Telegram on, April 9, 2015, and 3,367 potential bidders specializing in construction services were notified of the bid opportunity. Of those bidders, 32 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. Three bids were received on May 1, 2015. Of those, none were Minority-owned Business Enterprises (MBEs), Women-owned Business Enterprises (WBEs), certified Small Business Enterprises (SBEs), or Long Beach businesses (Local). ARB, Inc., of Lake Forest, CA (not a MBE/WBE/SBE/Local), was the lowest responsible 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 bid specifications. Through outreach, 308 Long Beach vendors were notified to submit a bids, of which one downloaded and 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 June 1, 2015.

TIMING CONSIDERATIONS

City Council action to adopt Specification No. ITB GO15-080 (G-330) and award a contract concurrently is requested on June 23, 2015 to allow for the timely commencement of this work. Construction is anticipated to begin in July 2015 and be completed by December 1, 2015.

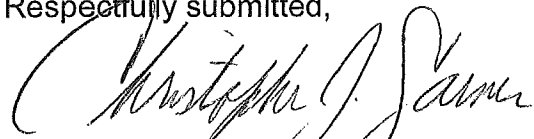
FISCAL IMPACT

The contract cost will not exceed \$1,519,693, including the recommended 15 percent contingency of \$198,221, and is budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for five full-time employees residing in Long Beach. Work under the proposed contract will be in compliance with the Citywide Project Labor Agreement.

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