



April 21, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager to execute a contract with Dresser, Inc., of Houston, TX, for furnishing and delivering rotary-type gas meters and other services and parts, without advertising for bids, in an annual amount not to exceed \$150,000, 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 Dresser, Inc. (Dresser), for furnishing and delivering rotary-type gas meters and other services and parts. Dresser is the sole direct source and manufacturer of the Dresser meters and instruments product line. Dresser is the only distributor of its products for the California Municipal Gas Market, which includes Long Beach Gas and Oil (LBGO). Therefore, City Council action is requested to adopt a Resolution for a sole source purchase.

For the last 20 years, LBGO has installed Dresser rotary gas meters for a majority of its large commercial customers in Long Beach and Signal Hill. LBGO's staff is fully trained on the operation, maintenance, and repair of Dresser gas meters. By standardizing meter types, LBGO reduces inventory for multiple types of equipment, eliminates staff training time for other types of equipment, and increases safety and consistency. In order to maintain the standardization of the distribution system for the City's large commercial customers, LBGO is requesting to purchase Dresser gas meters and related services and parts.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Richard Anthony on March 9, 2015, and by Budget Management Officer Victoria Bell on March 27, 2015.

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TIMING CONSIDERATIONS

City Council action to adopt the Resolution and award a contract concurrently is requested on April 21, 2015 to ensure the contract is in place expeditiously.

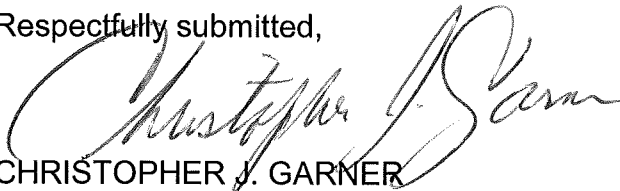
FISCAL IMPACT

The contract authority requested is in an annual amount not to exceed \$150,000, for a term of two years with the option to review for two additional one-year terms, at the discretion of the City Manager. The total contract authority requested is in an amount not to exceed \$600,000. The cost of this contract will be budgeted annually in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). 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

JG:CG:jr

Attachment

APPROVED:


PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH DRESSER, INC., WITHOUT ADVERTISING FOR BIDS, FOR FURNISHING AND DELIVERING ROTARY-TYPE GAS METERS AND OTHER SERVICES AND PARTS FOR A PERIOD OF TWO YEARS IN AN ANNUAL AMOUNT NOT TO EXCEED \$150,000 WITH THE OPTION TO RENEW FOR TWO ADDITIONAL ONE-YEAR PERIODS

WHEREAS, for the last twenty years, the Long Beach Gas & Oil Department ("LBGO") has installed Dresser, Inc. ("Dresser") rotary-type gas meters for residential and industrial customers in the City of Long Beach; and

WHEREAS, purchasing Dresser gas meters and related services and parts will maintain standardization of gas meters and will reduce stock requirements for multiple types of equipment; and

WHEREAS, LBGO has fully trained staff on the operation, maintenance, and repair of the Dresser gas meters which eliminates the need for additional staff training; and

WHEREAS, Dresser, Inc. is the only distributor of Dresser meters and instruments and as a result, no useful purpose would be served by advertising for bids for furnishing and delivering these rotary-type gas meters and other services and parts and to do so would constitute an idle and useless act and an unnecessary expenditure of public;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City Manager is hereby authorized to enter a contract, without advertising for bids, with Dresser, Inc. for the purchase of rotary-type gas meters

OFFICE OF THE CITY ATTORNEY
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1 and other services and parts as may be required by the City for a period of two (2) years
2 in an annual amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000). The
3 parties may, by mutual agreement, extend the term for two (2) additional periods of one (1)
4 year each. If the sole source status of Dresser, Inc. changes, City shall publicly bid instead
5 of extending the contract.

6 Section 2. This resolution shall take effect immediately upon its adoption
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City Council
9 of the City of Long Beach at its meeting of _____, 2015
10 by the following vote:

11
12 Ayes: Councilmembers: _____

13 _____

14 _____

15 _____

16 Noes: Councilmembers: _____

17 _____

18 Absent: Councilmembers: _____

19 _____

20 _____

21 _____

22 _____

City Clerk