411 West Ocean Boulevard, 6<sup>th</sup> Floor Long Beach, CA 90802 562-570-6425

**C-9** 

November 15, 2022

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Adopt Specifications No. ITB CE-22-098 and award a contract to Phillips Steel Company, of Long Beach, CA, for furnishing and delivering as-needed steel and related metals, in an annual amount not to exceed \$350,000, with a 20 percent contingency in the amount of \$70,000, for a total annual contract amount not to exceed \$420,000 for a period of one year, with the option to renew for four 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 subsequent amendments. (Citywide)

## DISCUSSION

City Council approval is requested to enter into a contract with Phillips Steel Company for the furnishing and delivery of as-needed steel and related metals.

This request is for steel and related metals that Airport, Energy Resources, Fire, Financial Management/Fleet Services, Parks, Recreation and Marine, and Public Works Departments use. Departments use steel and related metals in various ways to perform their daily job functions. For example, Fire Department uses this commodity for tool racks, shelving for tools on fire engines, and miscellaneous repair projects, and the Fleet Services uses it for the maintenance of vehicles and equipment.

The bid was advertised in the Long Beach Press-Telegram on August 11, 2022, and 58 potential bidders specializing in steel and related metals were notified of the bid opportunity. Of those potential bidders, six downloaded the bid via the City of Long Beach (City) 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 <a href="https://www.longbeach.gov/purchasing">www.longbeach.gov/purchasing</a>. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 42 local, minority-owned, and women-owned business groups. There were two bids received on September 22, 2022. Of those two bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), one was a certified Small Business Enterprise (SBE), and two were Long Beach vendors (Local). Phillips Steel Company, of Long Beach, CA (WBE, SBE, and Local), was the lowest responsible bidder.

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#### **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 Long Beach Buys database to download bid specifications. Through outreach, 50 Long Beach vendors were notified to submit bids, of which 4 downloaded and 2 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 Erin Weesner-McKinley October 25, 2022, Purchasing Agent Michelle Wilson on October 17, 2022, and by Budget Operations and Development Officer Rhutu Amin Gharib on October 21, 2022.

#### TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB CE-22-098 and award a contract concurrently is requested on November 15, 2022, to ensure the contract is in place expeditiously.

# FISCAL IMPACT

The total annual amount of the contract will not exceed \$420,000 inclusive of a 20 percent contingency. The contract will be used citywide on an as-needed basis and is budgeted across various departments and funds. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The contract amendments will provide continued support to our local economy by assisting in preservation of employment for 25 full-time employees residing in Long Beach.

### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KFVIN RIPER

DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA CITY MANAGER