City of Long Beach

West Ocean Boulevard
Long Beach, CA 90802

Legislation Details (With Text)

File #:	09-0341	**Version:** 1	**Name:**	FM - contract Patten Energy petroleum products

Type:	Contract	**Status:**	CCIS	
File created:	3/4/2009	**In control:**	City Council	
On agenda:	4/14/2009	**Final action:**	4/14/2009	

Title: Recommendation to adopt Specifications No. PA-00909 and award contracts to Patten Energy, Inc., and General Petroleum, for the purchase of petroleum products in the total amount of $110,000 for a period of one year, with the option to renew for one additional one-year period, at the discretion of the City Manager, with the option to add expenditures up to 10 percent (or $11,000) above the contract amount, if necessary and if funds are available. (Citywide)

Sponsors: Financial Management

Indexes: Contracts

Code sections:

Attachments: 1. 041409-C-5sr.pdf

Date	Ver.	Action By	Action	Result
4/14/2009	1	City Council	approve recommendation	Pass

Recommendation to adopt Specifications No. PA-00909 and award contracts to Patten Energy, Inc., and General Petroleum, for the purchase of petroleum products in the total amount of $110,000 for a period of one year, with the option to renew for one additional one-year period, at the discretion of the City Manager, with the option to add expenditures up to 10 percent (or $11,000) above the contract amount, if necessary and if funds are available. (Citywide)

City Council approval is being requested to enter into an annual contract for furnishing and delivering petroleum products such as motor oil, power steering and transmission fluid to support the Department of Public Works, Fleet Services Bureau's vehicle maintenance program.

The bid was advertised on December 15, 2008, and 18 potential bidders specializing in petroleum products were notified of the bid opportunity; two are Minority-owned Business Enterprises (MBEs), three are Women-owned Business Enterprises (WBEs), three are Long Beach business and two are certified Small Business Enterprises (SBEs). 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.lonQbeach.Qov/purchasinQ. 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's business groups. Ten bids were received and a public bid opening occurred on December 30, 2008. Patten Energy, Inc., of Los Angeles, CA (an MBE) and General Petroleum of Long Beach, CA (a local) were the lowest responsible bidders.

This matter was reviewed by Deputy City Attorney Amy R. Burton on March 23, 2009 and Budget and Performance Management Bureau Manager David Wodynski on March 25, 2009.

SUSTAINABILITY

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With the addition of re-refined and synthetic oil to the City's supply chain, we have achieved a number of sustainable benefits:

· **Environmental benefits**-The use of re-refined oils and lubricants reduce virgin oil production and refinement. Preserving petroleum resources and reducing the amount of used oil will reduce air pollution.

· **Energy security benefits**-The utilization of refined oils and lubricants reduces demand for foreign oils and lubricants.

· **Economic benefits**-The use of re-refined oils is less expensive in general. Rerefinement of oil is done domestically.

· **Quality benefits**-Re-refined oils and synthetic oils and lubricants are like-quality to virgin products and last longer with increased viscosity.

City Council action to adopt Specifications No. PA-00909 and award the contracts concurrently is requested on April 14, 2009 to ensure that the contracts are in place expeditiously.

The cost of this contract is $110,000 annually and is budgeted in the General Fund (GP 100) in the Department of Public Works (PW). The City will have the option of adding expenditures up to 10 percent (or $11,000) above the contract amount, if necessary and if funds are available.

Approve recommendation.

LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

NAME
TITLE

APPROVED:

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PATRICK H. WEST
CITY MANAGER