



Legislation Text

File #: 20-1239, **Version:** 1

Recommendation to authorize City Manager, or designee, to execute all documents necessary to amend Contract No. 34584 with ARB, Inc., of Lake Forest, CA, for as-needed natural gas pipeline construction projects, to extend the term of the contract to August 14, 2021. (Citywide)

City Council approval is requested to amend Contract No. 34584 with ARB, Inc. (ARB), for as-needed natural gas pipeline construction projects for the Energy Resources Department (ER) to extend the term to August 14, 2021.

On February 7, 2017, the City Council awarded a contract to ARB for as-needed natural gas pipeline construction projects, in an amount of \$2,500,000, for a period of two years, with the option to renew for two additional one-year periods. On June 6, 2017, the City Council approved to increase the contract to \$4,500,000 annually. The current contract expires on February 14, 2021.

The as-needed construction contract provides ER with fixed unit prices to replace and relocate aging natural gas pipelines throughout Long Beach. The work complies with federal regulations by addressing priorities identified in the ER's Master Plan and Distribution Integrity Management Plan (DIMP), which classifies system weaknesses and specific measures necessary to ensure the safe and efficient delivery of natural gas to ER's customers.

This is an on-call contract where work is performed by the contractor based on individual work orders issued by ER. Payment to the contractor under this contract is based on the number of work orders issued by ER and fully completed by the contractor. The contract does not include any guaranteed minimum payment or retainer fee to the contractor.

Following the City's Emergency Declaration related to the COVID-19 pandemic on March 4, 2020, and its resurgence, the demand for City resources has been tremendous. An Invitation to Bid (ITB) was released on October 13, 2020, for these services. Due to the impact and continued demands of the ongoing pandemic on the City's limited resources, it is prudent for the City to extend the original contract to ensure continuity of services while a new contract is awarded.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and Business Services Bureau Manager Tara Yeats on November 17, 2020, and by Revenue Management Officer Geraldine Alejo on November 24, 2020.

City Council action is requested on December 15, 2020, to allow for the uninterrupted continuation of services.

The requested amendment will extend the contract term for a six-month period through August 14, 2021. No additional contract authority is requested as part of this amendment. The total not to exceed contract amount will remain at \$18,000,000. Sufficient funds are budgeted in the Gas Fund Group in the Energy Resources Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with the recommendation.

Approve recommendation.

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ROBERT DOWELL
DIRECTOR OF ENERGY RESOURCES

APPROVED:

THOMAS B. MODICA
CITY MANAGER