

**DATE: NOVEMBER 15, 2023**

**FROM: CONSTRUCTION AND MAINTENANCE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AWARD OF CONTRACT NO. 40018 TO FERGUSON ENTERPRISES, LLC FOR PLUMBING SUPPLIES, EQUIPMENT, APPLIANCES, FITTINGS, FIXTURES, TRIM AND ACCESSORIES**

**SUMMARY:**

Staff requests approval of Contract No. 40018 (Contract) with Ferguson Enterprises, LLC (Ferguson), a Virginia limited liability company with a location in Pomona, California, for plumbing supplies, equipment, appliances, fittings, fixtures, trim and accessories. The proposed Contract will be for a one-year term with two, one-year renewal options for an amount not to exceed \$200,000 for the initial year. The total amount of the Contract will not exceed \$600,000 over three years, or \$200,000 annually, if both options are exercised. Payment of expenses incurred under the proposed Contract will be the financial responsibility of the City of Los Angeles Harbor Department (Harbor Department).

**RECOMMENDATION:**

Staff recommends that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve Contract No. 40018 with Ferguson for the plumbing supplies, equipment, appliances, fittings, fixtures, trim and accessories in the amount of \$200,000 for a period of one year, with two one-year renewal options in the amount of \$200,000 per year to be exercised by the Executive Director or his/her designee in his/her discretion;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Contract No. 40018 for and on behalf of the Board; and
4. Adopt Resolution No. \_\_\_\_\_ .

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**DISCUSSION:**

Background/Context - The Harbor Department's Construction & Maintenance Division (C&M) is responsible for the day-to-day operation of routine maintenance and repairs of the plumbing systems and needs to respond timely to any unforeseen emergency repair situations for the various terminals, buildings and facilities throughout the Harbor Department.

In addition to day-to-day operational needs, the plumbing supplies contract is also necessary for C&M's Capital Improvement Program (CIP) and Maintenance Improvement Program (MIP) projects. C&M's current and planned CIP and MIP projects are the Underwharf Pipeline Hangers Replacement at Berth 150 – 195, the Underwharf Fire Sprinkler System Replacement at Berth 189, and the San Pedro Waterfront – Gateway Fanfare Fountain Water Treatment System.

The proposed Contract is essential to maintain and protect the Harbor Department's infrastructure and to provide safe, reliable, efficient and quality plumbing services to its occupants and stakeholders. A reliable and high-quality plumbing supplies contract will play a crucial role in constructing and optimizing the functionality of the plumbing systems for the safe distribution of clean water and maintaining proper sanitation and hygiene standards with the removal of wastewater and sewage from buildings through drainage systems. Utilization of the appropriate plumbing materials will help prolong the satisfactory performance of the plumbing systems; will prevent various undue plumbing problems, i.e. leaking or clogged piping that can lead to building damages, harm the environment and create health hazards; and consequently will safeguard the health and safety of the Harbor Department's occupants and customers.

C&M is required to comply with the mandated California and Los Angeles County Code of Regulations California Code of Regulations, Title 17, Section 7605; Los Angeles County Code, Title 11, Section 11.38.480; and California Plumbing Code, Section 603.2. These regulations ensure that plumbing systems for clean water and wastewater meet standards and are operating satisfactorily, and that the Harbor Department's water consumption is closely monitored to verify that its conservation efforts are effectively being practiced. The regulations also mandate that the quality of the plumbing supplies and materials be approved by the following agencies: United Underwriters (UL), Canadian Standards Association (CSA), and United Plumbing Code (UPC). The proposed plumbing supplies Contract will enable the Harbor Department to be in compliance with the above regulations by having the necessary plumbing parts readily available and to follow all the safety protocols.

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Although C&M keeps some plumbing parts and equipment inventory at hand, the proposed plumbing supplies Contract is necessary to supplement the C&M inventory if the parts and materials needed are not regularly stocked items.

Selection Process – C&M submitted a purchase requisition to the Contracts and Purchasing Division (CPD). The CPD released a Request for Bids (RFB) No. F-1176 on July 14, 2023. It was advertised on the City of Los Angeles Regional Alliance Market Place (RAMP) and the Harbor Department website. Per statistics on RAMP, the bid was viewed by 40 unique companies (Transmittal 3). The bid document was downloaded by 29 unique companies (Transmittal 4). Three (3) bids were received by the August 11, 2023, deadline. Bids have been tabulated as detailed in Transmittal 1. The bid calls for an award to the lowest, responsive bidder.

RFB No. F-1176 was also eligible for the Local Business Preference Program (LBPP) which provides for an eight percent (8%) bid preference for qualifying businesses in the five counties closest to the Harbor Department on any contract opportunity valued in excess of \$150,000. Ferguson certified it is eligible for the Local Business Enterprise (LBE) preference discount. The calculation for the discount is shown on Transmittal 1. Ferguson was the lowest bidder with or without the LBE preference discount.

Ferguson was the lowest, responsive bidder; therefore, staff is recommending approval of the proposed Contract with Ferguson (Transmittal 2).

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of a contract with Ferguson for plumbing supplies, equipment, appliances, fittings, fixtures, trim and accessories, which is an administrative action. Therefore, the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed one-year contract with two, one-year renewal options will authorize expenditures of up to \$200,000 annually for plumbing supplies, equipment, appliances, fittings, fixtures, trim and accessories. Fiscal Year (FY) 2023-2024 funding in the amount of \$200,000 has been budgeted within Account No. 55010 (Maintenance Supplies – Parts & Materials) in the cost centers noted below.

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Funds are anticipated to be expended as follows:

| <b>Fiscal Year (FY)</b> | <b>Capital Improvement Program (Center 1900)</b> | <b>Operating Budget (Center 0510)</b> | <b>Total Amount</b> |
|-------------------------|--|---------------------------------------|---------------------|
| 2023/2024               | \$150,000  | \$50,000                              | \$200,000           |
| 2024/2025               | \$150,000  | \$50,000                              | \$200,000           |
| 2025/2026               | \$150,000  | \$50,000                              | \$200,000           |
| <b>Total Cost</b>       | <b>\$450,000</b>                                 | <b>\$150,000</b>                      | <b>\$600,000</b>    |

Future fiscal year funds will be requested to be budgeted as part of the annual budget process, pending Board Approval.

If in any subsequent fiscal year funds are not appropriated for work required by the Contract, the Contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

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LLC

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the Contract as to form and legality.

**TRANSMITTAL:**

1. Recap of Bid No. F-1176
2. Contract No. 40018, Formal Bid No. F-1176
3. Bid No. F-1176 Views
4. Bid No. F-1176 Downloaded

FIS Approval: MB

CA Approval: SO



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Director of Port Construction & Maintenance

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APPROVED:

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