

Council Meeting of
March 6, 2007

Honorable Mayor and Members
of the Torrance City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: General Services - Authorize rejection of two (2) bids received for Annual Requirement for Warehouse Water Stock. Ref. Bid #: B2007- 01 & B2007- 05

RECOMMENDATION

The General Services Director recommends that the City Council authorize rejection of two (2) bids received for Warehouse Water Stock (# B2007-01 and # B2007-05).

BACKGROUND

On January 4, 2007, bid number B2007-01 was opened for the annual requirement of Warehouse Water Stock. Only one (1) bid was received, which unfortunately did not meet the City's bid specifications; thus it was deemed a non-responsive bid. Because the City received no responsive bids, the Warehouse Water Stock requirement was subsequently re-bid.

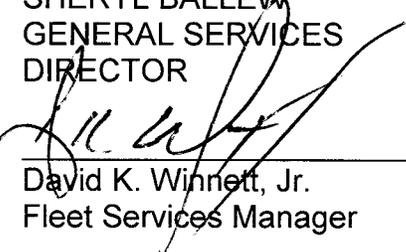
On February 1, 2007 the new bid, number B2007-05 was opened and two (2) bids were received. One (1) bid met the bid requirements, but the vendor bid on only 26 of the 226 items included in the bid specifications. The second bidder submitted a bid covering the majority of the items on the bid, but did not meet the bid requirement to hold pricing firm for a period of at least 90 days. Staff has subsequently contacted several vendors to inquire as to why they did not respond to the bids. We were advised that the volatile state of the current steel market makes most vendors unable to maintain firm pricing for any length of time.

Staff is recommending that both bids be rejected (B2007-01 and B2007-05) and that for the foreseeable future staff be authorized to place orders for necessary Warehouse Water Stock by obtaining competitive quotes as needed, until the volatility of the steel market has stabilized. Any purchases in the amount of \$25,000 or more will be presented to the City Council for approval.

Respectfully submitted,

SHERYL BALLEW
GENERAL SERVICES
DIRECTOR

By

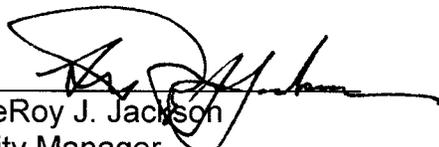


David K. Winnett, Jr.
Fleet Services Manager

CONCUR:



Sheryl Ballew
General Services Director



LeRoy J. Jackson
City Manager