



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: February 21, 2007

Approved *Debra Jahn* Date *2/23/07*

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2006-2007 #17**

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2006-2007 #17 and authorization for the Director of Finance to execute the purchase orders.

OUTCOME

To provide goods and services, which support the operational objectives of City Departments, through a competitive process.

BACKGROUND

This standard memorandum is provided as a cover sheet to an attached list of requests received by the Purchasing Division for open purchase orders. This list indicates the most current requests submitted by various City departments for the establishment of open purchase orders or an increase in the amount of an existing open purchase order for supplies, materials, equipment and services for Fiscal Year 2006-2007. Open purchase orders are used when the amount or nature of the items or services is estimated or when it is necessary that the place from which the items or services are purchased is strategically located.

Pursuant to Sections 4.12.135, 4.12.146 and 4.13.040 of the Municipal Code, competitive quotes or proposals are obtained whenever practicable on all items or services with a payment amount exceeding Five Thousand Dollars (\$5,000). Unless otherwise noted, most advantageous price quotations were used to establish all open purchase orders on the attached list. Formal bidding is not required to establish open purchase orders regardless of the total dollar amount; however, Purchasing does bid some items when feasible. Formal bids are noted on the attachment when applicable.

The attachment may also include open purchase orders for contracts subject to the Living Wage Policy adopted by the Council on November 17, 1998 and prevailing wage requirements. The Living Wage policy pertains to contracts exceeding \$20,000 and for designated service categories. The Policy also requires a review of the employee work environment (Third Tier Review). The attachment will indicate each purchase that is subject to the Living Wage and any additional information used by staff in making the recommendation.

ANALYSIS

All open purchase orders, which are expected to have a cumulative total of purchases exceeding \$100,000 during the fiscal year, are presented for Council approval. A list of the new or increased open purchase orders is attached. The attached list includes brief explanatory comments on the items and services.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

All purchase order requests, which require soliciting quotes or bids, are advertised on the City's Internet site.

This item does not meet any of the criteria listed below.

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

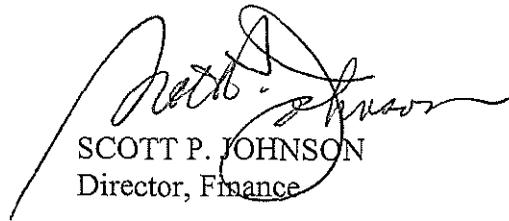
Each purchase order request on the attached list has been coordinated with the City Attorney's Office and the requesting City department.

FISCAL/POLICY ALIGNMENT

This section is detailed in the attached Open Purchase Orders.

CEQA

See attachment for CEQA determinations.



SCOTT P. JOHNSON
Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer, at (408) 535-7051.

Attachment

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Management of Landscape Areas within Maintenance District #16 for the Department of Transportation	Flora Terra Landscape Management. San Jose, CA	\$650,000	\$0	Fund – 369, Appn 0512 Street landscape Maintenance 2006-2007 Adopted Operating Budget by Core Service – Page XI-19
<p>Approve the award of the service order to provide all labor, materials and equipment necessary for landscape management and maintenance as required by the Department of Transportation for Special Assessment District #16 in the City’s Evergreen area. This requirement was competitively quoted; Flora Terra Landscape submitted the most advantageous quote which met or exceeded all specifications. Office of Equality Assurance: Prevailing and Living Wage apply. CEQA: PP94-06-191. Cost Implication: General Principles #2, “We must focus on protecting our vital core City services.” Desired Outcome: To provide for the ongoing maintenance to Special Assessment District #16.</p>				
Miscellaneous Drayage, Moving and Storage Services for all City Departments (as needed)	Graebel Companies, Inc. Milpitas, CA 95035	\$50,000.00	\$90,000.00	Various Funds 2006-07 Adopted Operating Budget
<p>The Open Purchase Order for miscellaneous drayage, moving, and storage services requires an encumbrance adjustment of \$50,000. The increase and unforeseen number of departments needing drayage, moving and storage services have resulted in this request. These projects include the Office of Economic Development’s One Stop Work 2 Future office move from Story Rd. to their new Parkmoor location, on-going library moves, such as the Evergreen, Cambrian, Joyce Ellington, and Willow Glenn Library moves, and surplus items being moved from City Hall as-needed. This adjustment is projected to cover services until the end of the current fiscal year. This is the third of four options to renew, this service was originally competitively quoted in 2003, Graebel submitted the most price advantageous quote while meeting all specifications. Office of Equality Assurance: Living Wage applies. CEQA: Not a Project. Cost Implication: General Principles #2, “We must focus on protecting our vital core city services.” Desired Outcome: Continue moving services with Graebel Companies, Inc.</p>				

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Purchase of HVAC Parts and Services for General Services	ACCO Engineered Systems San Leandro, CA	\$90,000.00	\$90,000.00	Various Funds 2006-2007 Adopted Operating Budget
<p>Approve an additional amount of \$90,000.00 to the existing purchase order of \$90,000.00 for the purchase of HVAC parts and services as required by General Services. The department is requesting an increase of \$90,000.00 to accommodate the purchases of HVAC parts and repairs of HVAC systems. This solicitation was awarded in June of 2007 as the result of a competitive solicitation process, ACCO Engineered Systems submitted the most advantageous quote which met or exceeded all specifications. OEA: Prevailing wage applies. CEQA: Not a project. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: Ongoing maintenance and repair of city HVAC systems to meet city safety standards.</p>				
Recycled Copy Paper for Stock at Central Warehouse	Xpedx Hayward, CA	\$219,410	\$0	Fund: 551 Stores Fund 2006-2007 Operating Budget Appropriation 0081 Pg XI-75
<p>Establish an open purchase order for the period February 26, 2007 through February 27, 2007 for the purchase of xerographic paper for various departments Citywide. This requirement was competitively quoted; the above vendor submitted the low quote of four quotes received. Office of Equality Assurance: N/A. CEQA: not a project. Cost Implication: General Principles #2, "We must focus on protecting our vital core City services." Desired Outcome: To provide xerographic paper Citywide.</p>				