

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: April 26, 2006

Approved

Date

May 4, 2006

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2005-2006 #16**

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2005-2006 #15 and authorization for the Director of Finance to execute the purchase orders.

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 2005-2006. Open purchase orders are used when the amount or nature of the items or services cannot be predicted before they are needed, 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. The 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 an accumulative 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.

COORDINATION

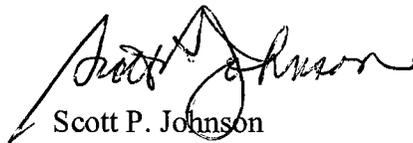
Each purchase order request on the attached list has been coordinated with the City Attorney's Office, City Manager's Budget Office and the requesting City department. This recommendation was presented to the Treatment Plant Advisory Committee (TPAC) on May 11, 2006.

PUBLIC OUTREACH

All purchase order requests, which require solicitation of quotations or bids, are advertised on the City's Internet site.

CEQA

See attachment for CEQA determinations


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Director, Finance Department

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ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Coating rehabilitation secondary/nitrification clarifier tanks for the Water Pollution Control Plant	Certified Coatings of California Concord, CA	\$487,900.00	\$0	Fund – 512 Adopted 2006-2010 Capital Improvement Program Budget, Page V-249
<p>Establish an open service order for the term May 17, 2006 through May 16, 2007 in the amount of \$487,900 for all labor, equipment and materials necessary to perform total coating rehabilitation of five (5) nitrification clarifier tanks. Exercising the first of two (2) one year options. This requirement was previously competitively quoted: Certified Coatings of California provided the lowest, responsive and responsible quote. The City's Local Preference Ordinance had no effect on the award decision. Office of Equality Assurance: Prevailing Wage. CEQA Exemption: #PP03-04-112. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: Coating rehabilitation of nitrification clarifier tanks as per WPCP maintenance standards.</p>				
Purchase and delivery of bed bottom material for the Department of Environmental Services/WPCP	Double D Transportation Hayward, CA	\$300,000.00	\$0	SJ-SC Treatment Plant Capital Fund – 512, 2005-2006 Adopted Capital Budget, Page V-255 APPN 5690 – Plant Improvements
<p>Establish an open purchase order in the amount of \$300,000 for the term beginning May 17, 2006 through June 30, 2006. This open purchase order provides for the purchase and delivery of bottom material for the Water Pollution Control Plant operations. This requirement was competitively quoted; Double D Transportation had the lowest overall cost. Office of Equality Assurance: No Prevailing or Living Wage applicable. CEQA: Exempt, File No. PP03-102. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: Purchase and delivery of bed bottom material to continue Water Pollution control Plant operations.</p>				