COUNCIL AGENDA: 05-03-05
ITEM: 2.5

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: **SEE BELOW**

DATE: April 13, 2005

Approved

Date 4/20/05

Council District: **CITY-WIDE**

SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES, MATERIALS, EQUIPMENT AND SERVICES FOR FY 2004-2005 #15

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2004-2005 #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 2004-2005. 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 $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.

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

SCOTT P. JOHNSON
Director, Finance Department

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Sandblasting and painting services for the Water Pollution Control Plant	George M. Stein, Inc. San Jose, CA	$50,000	$95,000	SJ-SC Treatment Plant Operating Fund – 513 2004-2005 Proposed Operating Budget, Page VIII-48
Approve an additional amount of $50,000 to the existing service order to provide all labor, equipment and material necessary for miscellaneous sandblasting and painting at the WPCP. This requirement was competitively quoted and an open service order was issued to George M. Stein, Inc for best price and service. The additional amount is required to re-hab the radiator housing and framework for the EG-3 tank and to complete the first section of the process airline in the secondary tank. This is necessary to avoid operational constraints, as EG3 tank will be down for two months. Desired Outcome: ongoing maintenance of primary and secondary clarifier tanks. OEA: #7253 Prevailing Wage. CEQA: not a project. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services."OP#34942				
Spreading of emulsified asphalt for the Department of Transportation	Reed & Graham San Jose, CA	$245,496		Traffic CIP Fund 465, Appn 6123 Adopted Capital Budget, Page V-1034
Establish an open service order for the term beginning May 1, 2005 through April 30, 2006 in the amount of $245,496. This service order provides for the purchase, delivery and spreading of emulsified asphalt for DOT's residential street maintenance operations. This requirement was competitively quoted; Reed & Graham provided the low quote. Desired Outcome: provide material necessary for the City's street maintenance program. OEA# 7892, Living Wage/Prevailing Wage with Prevailing Wage Higher. CEQA: PP-04-02-041. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services."				