



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: June 4, 2007

Approved

Ray Winer

Date

6/8/07

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2006-2007 #22**

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2006-2007 #22 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.

Pursuant to Sections 4.12.210 of the Municipal Code, competitive quotes, bids, or proposals are obtained whenever practicable on all items or services with a payment amount exceeding Ten Thousand Dollars (\$10,000).

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 \$250,000 for services and \$1,000,000 for material, supplies, and equipment during the term of the purchase order, 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 materials, supplies, equipment, and services.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST



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)**

This item meets Criteria 1 and will be posted on the City's website for the June 26, 2007 Council Agenda. All purchase order requests, which require soliciting quotes or bids, are advertised on the City's Internet site.

COORDINATION

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

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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
Purchase and application of polymer modified asphalt sealer for maintenance of City Streets for the Department of Transportation's Street Maintenance Program	Reed & Graham, Inc San Jose, CA	\$1,200,00.00	\$0	Fund – 465, Appn 6123 Street Maintenance 2006-2007 Adopted Capital Budget Page V-1090
<p>Establish an open service order for the period June 19, 2007 through June 18, 2008 for the purchase and application of polymer modified asphalt sealer for maintenance of City streets for the Department of Transportation with the option to renew the Open Purchase Order for two additional 12 month periods. This requirement was competitively quoted; Reed & Graham, Inc. provided the low quote. Office of Equality Assurance: Living Wage and Prevailing Wage where Prevailing is higher. CEQA: PP-04-02-041. Cost Implication: General Principles #2, "We must focus on protecting our vital core City services." Support Transportation City Service Area goal to Preserve and Improve Transportation Assets by maintaining City Roadways.</p>				
Computer hardware, software, and peripherals (Various Departments)	Xtech ComputerLand CDW-G	\$100,000 \$200,000 \$200,000	\$200,000 \$600,000 \$700,000	Various Funds 2006-2007 Adopted Operating Budget
Total		\$500,000	\$1,500,000	
<p>Approve an additional total amount of \$500,000 to existing open purchase orders to cover citywide requirements through the end of the fiscal year for the purchase of computer hardware, software and peripherals with the City's three technology store providers 1) Xtech, 2) ComputerLand and 3) CDW-G. The original award was the result of competitive solicitation process and approved by City Council on June 27, 2006 (Item 2.20). Office of Equality Assurance: Prevailing and Living Wage do not apply. CEQA: Not a project. Cost Implication: General Principles #2, "We must focus on protecting our vital core City services." Desired Outcome: Acquire technology purchases at competitive prices to support citywide operations.</p>				