



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: August 9, 2006

Approved

Deanna Jafra

Date

8/12/06

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2006-2007 #5**

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2006-2007 #5 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.

August 9, 2006

Subject: Open Purchase Orders Report #5

Page 2

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 memo is also posted on the City's Council Agenda webpage for the August 29, 2006 meeting.

This item meets criteria 1 listed below, use of Public Funds equal to or greater than \$1,000,000.

- 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

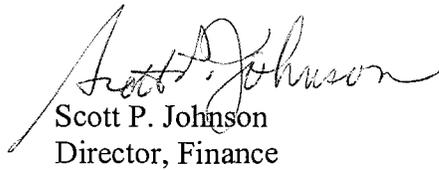
Each purchase order request on the attached list has been coordinated with the City Attorney's Office and the requesting City department.

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 Rossmann, Chief Purchasing Officer, at (408) 535-7051.

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Brakes, repair parts and services for the Department of General Services/Fleet	B & A Friction Materials, Inc. San Jose, CA	\$270,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open purchase order for the period September 1, 2006 through June 30, 2007 for the purchase of brakes, repair parts, friction materials, suspension parts, other related products, and services for Fleet operations. Exercising the second of two one-year options. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				
Purchase of tires and repair services for the Department of General Services/Fleet	Dapper Tire Company, Inc. Hayward, CA East Bay Tire Co. Fairfield, CA Wingfoot Commercial Tire Systems, LLC San Jose, CA	\$160,000 \$120,000 \$480,000	\$0 \$0 \$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open service order for the period September 1, 2006 through August 31, 2007 for the purchase of Goodyear tires. This requirement was competitively quoted; the above vendors submitted the three lowest responsive quotes.. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Fire apparatus repair services for the Department of General Services/Fleet	FJM Bering Truck Center, Inc. San Jose, CA	\$150,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
	Hi Tech Emergency Vehicle Service, Inc. Oakdale, CA	\$500,000	\$0	
<p>Establish an open service order for the period September 1, 2006 through June 30, 2007 for emergency repair services for fire apparatus and fleet equipment. Exercising the second of two one-year options, FJM Bering Truck Center, Inc. and Hi Tech Emergency Vehicle Service, Inc. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				
Automotive parts for the Department of General Services/Fleet	Cooks Automotive San Jose, CA	\$260,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open service order for the period September 1, 2006 through August 31, 2007 for automotive parts and filters for the Fleet Division. This requirement was competitively quoted. Cooks Automotive submitted the low quote. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Truck parts and repair services for the Department of General Services/Fleet	Mission Valley Ford San Jose, CA	\$125,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open service order for the period September 1, 2006 through August 31, 2007 for truck parts and repair services for the Fleet Division. This requirement was competitively quoted; Mission Valley Ford submitted the only responsive quote. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				
Truck parts and repair services for the Department of General Services/Fleet	Coast Counties Truck and Equipment Co. San Jose, CA	\$128,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open service order for the period September 1, 2006 through June 30, 2007 for truck parts and repair services for the Fleet Division. Exercising the second of two one-year options, Coast Counties Truck and Equipment, co. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Automotive body repairs and painting for the Department of General Services/Fleet	Fleet Bodyworx, Inc. San Jose, CA	\$200,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open service order for the period September 1, 2006 through June 30, 2007 for automotive body repairs and painting services for the Fleet Division. Exercising the second of two one-year options, Fleet Bodyworx, Inc. 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: Safe and functional public infrastructure, facilities, materials and equipment.</p>				
Earth moving equipment rental for the Department of General Services/Fleet	ECCO Equipment Corp. Visalia, CA	\$150,000	\$0	Vehicle Maintenance and Operations Fund –552 2006-2007 Proposed Operating Budget, Page VIII-60
<p>Establish an open purchase order for the period September 1, 2006 through June 30, 2007 for the rental of earthmoving equipment. Exercising the second of two one-year options. 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: Rental of equipment to maintain core services within City.</p>				

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Temporary Personnel Services of Call Center Specialists for the Department of Environmental Services	Trendtec San Jose, CA	\$+200,000	\$100,000	Integrated Waste Management Fund -423 Water Utility Fund -515 2006-2007 Proposed Operating Budget Page V1111-42

The approval of an additional encumbrance of \$200,000 to the existing purchase order # OP 38754 which provides the temporary personnel services of Call Center Specialists for the newly consolidated Customer Contact Center. The need for 10 temporary personnel Call Center Specialists was required to accommodate higher than anticipated call volume during the cut-over to the Consolidated Utility Billing System (C-UBS) which has coincided with a Recycle Plus rate increase. The scope of work requires special skills and experience in call center work which is not currently available through the existing City Temp Pool. This requirement was identified as a priority by the City Manager and the C-UBS Steering Committee. An Open Purchase Order was established for \$100,000 to start temporary staff as of 7/31/06 to reduce call wait time and abandoned calls due to long wait time. The additional \$200,000 will cover cost through October 31, 2006. Office of Equality Assurance: Prevailing Wage and Living Wage do not apply. CEQA: N/A. Fiscal/Policy Alignment: We must focus on protecting our vital core City services. Desired Outcome: To continue to provide excellent customer service to our City residents.