



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT:** SEE BELOW

**DATE:** 9-06-06

Approved

Date

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,  
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2006-2007 #7**

## RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2006-2007 #7 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)**

HONORABLE MAYOR AND CITY COUNCIL

9-06-06

**Subject: Open Purchase Orders Report #7**

Page 3

### **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.

Attachment

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Automotive parts for the Department of General Services/Fleet	Frontier Ford Santa Clara, 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 automotive parts for the Fleet Division. Exercising the second of two one-year options, Frontier Ford. 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>				