



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: October 29, 2007

Approved

Deanna Sutra

Date

10/30/07

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2007-2008 #4**

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2007-2008 #4 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 2007-2008.

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.

EVALUATION AND FOLLOW-UP

Any follow-up scheduled will be referenced in the attachment, if applicable.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater; **(Required: Website Posting)**
- Criterion 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)**
- Criterion 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)**

Although this item does not meet Criterion 1, it will be posted on the City's website for the November 20, 2007 Council Agenda. All purchase order requests, which require soliciting proposals or bids, are advertised on the City's Internet site.

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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.

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
Asphalt repair and seal coating services for the Department of General Services	Union City Construction Union City, CA	\$300,000	\$0	Strategic Capital Maintenance Funds 377,378,380,381,382,384,385,386,388,389(Appn 5541) 07-08 Proposed Capital Budget Pgs. V-308, V-321, V-331, V-343, V-352, V-368, V-386, V-402, V-408, V-418 Nonpersonal/Equipment General Services, Fund 001 07-08 Proposed Operating Budget Page VIII-60.
Approve a cumulative amount for an Open Purchase Order for asphalt repair and asphalt seal coating on an "as needed basis" with Union City Construction cumulative not-to-exceed amount \$300,000 for the period 11/6/07 – 11/5/08. The City is exercising the 1 st of two (2) options to renew this service. The pricing for the new OPO is based on the pricing of the prior OPO plus the current Consumer Price Index of 3.2%. Office of Equality Assurance: Prevailing Wage required. CEQA: Exempt, PP06-082. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: To keep parking lots and related asphalt at City facilities in a safe and sightly condition.				
Regional and Neighborhood Park Tree Trimming Routine Maintenance PRNS	TruGreen Landcare	\$485,000	\$0	PRNS 2007/2008 Proposed Operating Budget Operating Fund 001, APPN 0642, Non-personal/Equipment, Amt; \$10,655,039, Page VII-254;
Establish an open service order for the term November 10, 2007 through November 9, 2008 in the amount of \$485,000 for tree trimming routine maintenance in Regional and Neighborhood Parks. The City is exercising the first of two one-year options to renew. The original award was the result of a competitive solicitation process. TruGreen Landcare submitted the lowest quote. The pricing for the new OPO is based on the pricing of the prior OPO plus the current Consumer Price Index of 3.2%. Office of Equality Assurance: Prevailing Wage required. CEQA: Exempt, File No. PP07-222. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: The ongoing maintenance of City Streets.				

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Purchase of materials and labor for minor concrete replacements and repairs for the Departments of Transportation and General Services	<p>Duran Hogan Construction San Jose, CA</p> <p>CB Construction San Jose, CA</p> <p>Wilson Concrete Co. Campbell, CA</p>	<p>\$373,000.00</p> <p>235,000.00</p> <p>\$150,000.00</p>	<p>\$0</p> <p>\$0</p> <p>\$0</p>	<p>Dept. of Transportation: Citywide Sidewalk Fund Appropriation: 3121 Fund: 001 General Fund Amount: \$500,000 Last Ord Date: 6/19/07 Proposed Operating Budget Page: IX-14</p> <p>General Services: Strategic Capital Maintenance Funds: 377, 378- 380,381,382,384,385,386,388,389 Appropriation: 0592 Amount: \$11,375,733 07-08 Proposed Capital Budget Pgs. V-308, V-321, V-331, V-343, V-352, V-368, V-386, V-402, V- 408, V-418 Non personal Equipment/General Services. Fund 001 07-08 Proposed Operating Budget Page VIII-60.</p>
<p>Establish an open service order for period November 1, 2007 through October 31, 2008 with a cumulative value not-to-exceed \$758,000 for the purchase of materials and labor for minor concrete replacements and repairs for residential sidewalks and minor repairs on City properties for the Departments of Transportation and General Services with the option to renew the Open Service Order for three additional one year periods. This requirement was competitively bid and the three lowest bids will be issued the Open Service Orders: Duran Hogan Construction, CB Construction and Wilson Concrete Co. Staff recommends an award to three companies since one company does not have sufficient capacity for the City's requirements. Office of Equality Assurance: Living Wage and Prevailing Wage where Prevailing Wage is Higher. CEQA: PP06-105, PP06-57. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: To maintain the City sidewalks and walk-ways for public safety.</p>				