



COUNCIL AGENDA: 12/14/04
ITEM: 2.12

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jim McBride

SUBJECT: SEE BELOW

DATE: November 22, 2004

Approved

Date

11/30/04

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2004-2005 #6**

RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2004-2005 #6, and authorization for the Director of General Services to execute the purchase orders.

BACKGROUND

This standard memorandum is provided as a cover sheet to an attached list of requests received by the General Services Department/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 Five Thousand Dollars (\$5,000). Unless otherwise noted, competitive quotes 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, General Services/Purchasing does bid some items when feasible. Formal bids are noted on the attachment when applicable.

11/22/04

Subject: Open Purchase Orders Report #6

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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

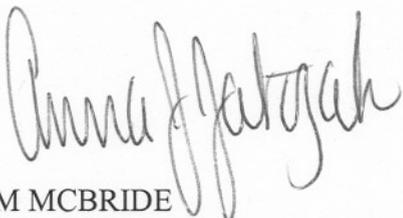
All open purchase orders, which are expected to have an accumulative total of purchases exceeding \$100,000 during the fiscal year, are presented for Council approval. A list of the new or increased open purchase orders is attached. The attached list includes brief explanatory comments on the items and services.

COORDINATION

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

for 
JIM MCBRIDE
Interim Director of General Services

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Hardware and Hand Tools for General Services/Central Warehouse	S & S Tool & Supply, Inc., Fremont, CA	\$25,000	\$110,000	Store Fund, #551 2004-2005 Operating Budget, Page X1-71
<p>The additional encumbrance of \$25,000 to the existing purchase order of \$110,000 is required as usage was higher than originally anticipated. The usage increase is due to cost saving procurement consolidation efforts from credit cards to open purchase orders as well as projected increased demand from the Airport, Fire Department, and Parks Recreation and Neighborhood Services. OEA: N/A. CEQA: Not a Project. Cost Implication: Vital Core Service.</p>				
Hardware and Hand Tools for General Services/Central Warehouse	S & S Tool & Supply, Inc., Fremont, CA	\$150,000		Store Fund, #551 2004-2005 Operating Budget, Page X1-71
<p>Establish an open purchase order in the amount of \$150,000 for the period January 5, 2005 through January 4, 2006. This purchase provides for the purchase of hardware and hand tools as required for stock in the General Services Central Warehouse. Exercising the fifth, and final, one-year options to renew. OEA: N/A. CEQA: Not a Project. Cost Implication: Vital Core Service.</p>				