

STAFF REPORT*CITY OF OCEANSIDE*

DATE: December 17, 2008

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **APPROVAL OF ANNUAL PURCHASE ORDERS FOR EQUIPMENT, SUPPLIES, MATERIALS AND SERVICES IN AMOUNTS OVER \$50,000 FOR FISCAL YEAR 2008-09**

SYNOPSIS

Staff recommends that the City Council approve annual purchase orders for equipment, supplies, materials and services in amounts over \$50,000 for FY 2008-09 for routine and recurring maintenance, repairs and operations from various Public Works Department funds, and authorize the Financial Services Director, or designee, to execute the annual purchase orders.

BACKGROUND

Each fiscal year, the Public Works Department estimates the quantity of special equipment, supplies, materials and services that will be needed in the course of implementing its programs. Each business unit/program submits its estimated annual requirements and staff combines the lists of requirements in order to monitor the amounts spent with each vendor. As it becomes necessary to purchase material or have outside vendors work on individual projects, staff will procure three oral quotes on any purchase over \$2,500 and written bids on purchases over \$10,000.

In FY 2007-08, supplies and services were purchased from a total of 400 different vendors, with the Maintenance and General Services Divisions purchasing the largest variety of materials. Over 6,000 individual invoices are processed each year in Public Works. In addition to the purchase orders for goods and services, others are issued on an as-needed basis for capital purchases or on a contractual basis for consultant services.

ANALYSIS

Using historical data and projections, the Public Works Department analyzes the purchasing needs of all of its programs and divides the resulting list into three parts. When the annual expected purchases are less than \$25,000, the Department Director is authorized to approve the purchase orders; when the estimated purchases are between

\$25,000 and \$50,000, the City Manager is authorized to approve the purchase orders. City Council is requested to approve all purchase orders in excess of \$50,000. The attached Exhibit A lists the specific requested purchase orders and provides information as to why these vendors have been chosen.

FISCAL IMPACT

The adopted operating budget for each Public Works Department program includes funds for the purchase of equipment, supplies, materials and services to support the day-to-day operations of the department. Purchase orders are not issued for more than the amounts budgeted.

COMMISSION OR COMMITTEE REPORT

Does not apply.

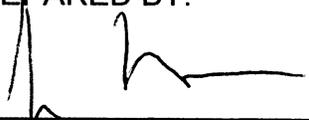
CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the City Council approve annual purchase orders for equipment, supplies, materials and services in amounts over \$50,000 for FY 2008-09 for routine and recurring maintenance, repairs and operations from various Public Works Department funds, and authorize the Financial Services Director, or designee, to execute the annual purchase orders.

PREPARED BY:



Joseph Arranaga
Deputy Public Works Director

SUBMITTED BY:



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Donald L. Hadley, Deputy City Manager

Teri Ferro, Financial Services Director

Exhibit A



Teri Ferro

**Public Works Department
Summary of Requested Annual Purchase Orders Over \$50,000**

Vendor	Program	Supplies/ Services	Program Expenditure
Dapper Tire San Diego	Fleet Management	Tires	\$104,000
Hydro Scape Products Carlsbad	Parks Maintenance, Street & Median Maintenance	Irrigation Supplies/Controllers	\$83,000
One Source Distributors Los Angeles	Building Maintenance Crafts, Street Light Maintenance, Traffic Control; Airport, Fleet Management, Parks Maintenance	Electrical Supplies	\$79,100
Escondido Asphalt Escondido	Street & Median Maintenance	Asphalt & Paving Products	\$250,000
Rancho Del Oro Landscape Oceanside	Parks Maintenance, Street & Median Maintenance, Flood Control, Parking Lot Maintenance & Enforcement, Airport, Solid Waste Operations, Silica Sand Facility	Supplemental Landscaping – trimming, weeding, irrigation repair	\$235,500
Dave Bang & Associates Tustin	Solid Waste Operations, Parks Maintenance	Equipment & Supplies	\$50,500
Ken Grody Carlsbad	Fleet Management	Supplies auto parts and contracts for repairs that are not done in house.	\$119,450
C.W. Doherty Concrete Oceanside	Street & Median Maintenance, Flood Control	Construction company available for emergency work.	\$77,500

Vendor	Program	Supplies/ Services	Program Expenditure
BMW Motorcycles of North County Oceanside	Fleet Management	Motorcycle repairs for Police Department	\$50,500
Executive Landscape Fallbrook	LMADs	Extra Landscape Work	\$249,625
TS Industrial Supply Escondido	Anti-Graffiti, Street & Median Maintenance; Flood Control, Street Light Maintenance, Traffic Control, Parking Lot Maintenance & Enforcement, Solid Waste Operations, Fleet Management, Parks Maintenance, Street Tree Maintenance	Construction Supplies	\$69,450
Wolfe Door Industries San Marcos	Building Maintenance, Crafts	Door Repair and Service	\$53,000
Target Specialty Products San Marcos	Street and Median Maintenance, Flood Control, Parks Maintenance	Specialty Landscape Products	\$61,000

Public Works Purchase Order Details:

Vendor: Dapper Tire

Materials and/or Supplies to be Purchased: Tires

Amount of Purchase Order: \$104,000

Identified Program: Fleet

Selection Process/Reason for Selection: Sole Source. Goodyear dealer holds the State contract. This vendor specializes in car and light truck tires; tires for large trucks and machinery are purchased from other vendors.

Vendor: HydroScape Products

Materials and/or Supplies to be Purchased: Irrigation supplies and controllers

Amount of Purchase Order: \$83,000

Programs: Parks Maintenance, Street & Median Maintenance

Selection Process/Reason for Selection: Sole Source. Hydroscape is a specialty store and the only one which carries a complete line of irrigation products that we use in our parks and medians.

Vendors: One Source Distributors

Materials and/or Supplies to be Purchased: Electrical Supplies

Amount of Purchase Order: \$79,100

Program: Building Maintenance, Crafts, Street Light Maintenance, Traffic Control, Fleet Management; Parks Maintenance

Selection Process/Reason for Selection: Bids obtained.

Vendor: Escondido Asphalt

Materials and/or Supplies to be Purchased: Asphalt and paving products

Amount of Purchase Order: \$250,000

Program: Street & Median Maintenance

Selection Process/Reason for Selection: Sole source. They are the only asphalt plant in the local delivery area. Asphalt has to be delivered hot. All other asphalt plants are too far away to deliver hot asphalt.

Vendor: Rancho Del Oro Landscape

Materials and/or Supplies to be Purchased: Supplemental landscape services

Amount of Purchase Order: \$235,500

Programs: Parks Maintenance, Street & Median Maintenance, Flood Control, Parking Lot Maintenance & Enforcement; Airport, Solid Waste Operations, Silica Sand Facility

Selection Process/Reason for Selection: Bid obtained.

Vendor: Dave Bang & Associates

Materials and/or Supplies to be Purchased: Equipment & Supplies

Amount of Purchase Order: \$50,500

Program: Solid Waste Operations; Parks Maintenance

Selection Process/Reason for Selection: Sole Source. Most of the parks have existing Dave Bang products/playground equipment. We cannot replace with other manufacturer parts.

Vendor: Ken Grody of Carlsbad

Materials and/or Supplies to be Purchased: Vehicle parts and repairs

Amount of Purchase Order: \$119,450

Program: Fleet Program

Selection Process/Reason for Selection: Sole Source. They are the only local provider who is on call 24/7 and delivers. Meets or beats all other dealerships on replacement parts prices.

Vendor: C.W. Doherty Concrete

Materials and/or Supplies to be Purchased: Construction support

Amount of Purchase Order: \$77,500

Program: Street & Median Maintenance; Flood Control

Selection Process/Reason for Selection: Bids obtained.

Vendor: BMW Motorcycles of North County

Materials and/or Supplies to be Purchased: Motorcycle repairs

Amount of Purchase Order: \$50,500

Program: Fleet

Selection Process/Reason for Selection: Sole local source for Police Department BMW motorcycles. Next closest dealership is located in San Diego. Transportation cost makes other dealers cost prohibitive.

Vendor: Executive Landscape

Materials and/or Supplies to be Purchased: Landscape extras for LMADs

Amount of Purchase Order: \$249,625

Program: Various Landscape Maintenance Districts

Selection Process/Reason for Selection: Sole Source. The Landscape Maintenance Assessment District (LMAD) maintenance contract was bid and awarded to Executive Landscape. The estimated costs in excess of the contract amount were identified and approved by Council. The extras have to be done by the existing contractor. We cannot use 2 contractors for regular scheduled maintenance and extras.

Vendor: TS Industrial Supply

Materials and/or Supplies to be Purchased: Construction Supplies

Amount of Purchase Order: \$69,450

Program: Anti Graffiti, Street & Median Maintenance, Flood Control, Street Light Maintenance, Traffic Control, Parking Lot Maintenance & Enforcement, Solid Waster Operations, Fleet Management, Parks Maintenance, Street Tree Maintenance

Selection Process/Reason for Selection: Bids obtained.

Vendor: Wolfe Door Industries

Materials and/or Supplies to be Purchased: Door Repair & Service

Amount of Purchase Order: \$53,000

Program: Building Maintenance, Crafts

Selection Process/Reason for Selection: Sole source. Replacing doors and windows at the Civic Center is a multi-year project. Wolfe Doors is the only local authorized vendor. Prices are set by the manufacturer. Cost increases by using an out of area vendor. They are also the only company which can repair roller doors at the fire stations and airport.