

October 16, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution granting authority to the Finance Director or his/her designee to approve annual purchase orders for various vendors for small items not stocked by City departments, for an amount not to exceed the estimated values for the specified vendors set forth in Attachment A to this Resolution.

FISCAL IMPACT

Goods and services purchased from the vendors listed in Attachment A support projects or programs approved by Council and all funds are currently appropriated in the 2017 Operating and Capital Investment Program Budget. Total expenditures will be monitored by department and procurement services staff and items/services will not be requested from any vendor unless sufficient funds are available to cover the associated costs.

STAFF CONTACTS

Toni Call, Director, 452-7863

Jamie Robinson, Assistant Finance Director, 452-6843

Finance Department

POLICY CONSIDERATION

Bellevue City Code:

4.28.130-Noncompetitive purchases: B. Small Items Not Stocked. Bellevue City Code grants authority to the Finance Director or designee to purchase items which are not stocked by a department of the City and are available at usual market prices through purchase orders not exceeding \$90,000 in value annually.

4.28.040-Competitive bidding: 1. Any purchase of material, supplies, and equipment of \$90,000 or more.

The aggregate value of these annual purchase orders is expected to exceed previous Council approved amounts or will be above \$90,000 by year end, Council authority is required.

BACKGROUND

The City issues annual purchase orders for small items not stocked by the departments. Individual goods and services ordered utilizing purchase orders are for less than the City's formal bid limit such as for materials, supplies, equipment, and services. The City received Council approval (Resolution No. 9208) on December 12, 2016 for these open accounts for the aggregate annual value of these orders that were expected to exceed the \$90,000 threshold by year end. This approval was for the estimated usage of the accounts. It has been determined that the usage of these accounts will exceed this approved authority so additional authority is being requested to continue to use these purchase orders to supply the City's needs.

It is in the best interest of the City to select vendors that offer the most competitive pricing. The purchase orders, outlined in Attachment A, are typically structured as pricing agreements for specific negotiated pricing, applicable discounts and other terms and conditions. The City is under no obligation to purchase any specific amount from these vendors but rather uses the account on an as needed basis.

A list of purchase orders, including vendor names, product or services description and the annual estimated expenditures where the total expenditures are projected to be above \$90,000 by year end, is available in Attachment A. The expenditures against these annual purchase orders will not exceed the amounts listed in Attachment A without additional Council action.

EFFECTIVE DATE

If approved, this Resolution becomes effective immediately upon Council adoption.

OPTIONS

1. Adopt the Resolution granting authority to the Finance Director or his/her designee to approve annual purchase orders for various vendors for small items not stocked by City departments, for an amount not to exceed the estimated values for the specified vendors set forth in Attachment A to this Resolution.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to adopt Resolution No. 9316 granting authority to the Finance Director or his/her designee to approve annual purchase orders for various vendors for small items not stocked by City departments, for an amount not to exceed the estimated values for the specified vendors set forth in Attachment A to this Resolution.

ATTACHMENTS

A. Small Items Not Stocked Purchase Orders
Proposed Resolution No. 9316

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

N/A