

Meeting Date: 9/23/2014

Report Type: Consent

Report ID: 2014-00669

Title: Authorizing the Use of a Request-for- Proposals Process for Facility Maintenance Parts and Supplies (Two-Thirds Vote Required)

Location: Citywide

Recommendation: Pass a Resolution 1) suspending competitive bidding, in the best interests of the City; and 2) authorizing the use of a Request-for-Proposals (RFP) process to identify the most qualified vendor to provide facility maintenance parts and supplies.

Contact: Don Tucker, Facilities Manager, (916) 808-8335, Department of General Services

Presenter: None

Department: General Services

Division: Facility Maintenance

Dept ID: 13001521

Attachments:

1-Description/Analysis

2-Resolution

City Attorney Review

Approved as to Form

Kourtney Burdick

9/15/2014 11:42:28 AM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 9/3/2014 9:53:55 AM

Description/Analysis

Issue Detail: The City has an ongoing requirement for maintenance parts and supplies for approximately 400 City facilities. Identifying and contracting with a single, highly qualified vendor will significantly streamline the procurement and accounts payable processes by eliminating the multitude of “blanket” purchase orders currently used, as well as save staff time, and provide improved inventory control.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Section 3.56 regarding the purchase of supplies and the suspension of competitive bidding.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): No environmental review is necessary because the recommendation in this report involves the purchase of supplies and is not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

Sustainability: Not applicable

Commission/Committee Action: None

Rationale for Recommendation: This report recommends suspending competitive bidding and using an RFP process to select the most qualified vendor to provide facility maintenance parts and supplies. Suspending competitive bidding is required because using an RFP process to select a supplies vendor is an alternative to the typical process of selecting a vendor on the basis of lowest responsive and responsible bid.

An RFP process allows the City to identify and select a vendor not only considering price but also other factors that are critical to the City such as innovative service delivery solutions, the ability to partner with other vendors, return policy, inventory control systems, and references.

Facility maintenance supplies are typically defined as consumables used in the repair and upkeep of a facility. Items such as light bulbs, paint, pipe, lumber, air filters, wire, etc. are among the items purchased. The Fleet Division within the Department of General Services has been using a similar system for several years with great success. A single vendor for these commonly-used supplies will provide a number of advantages for the City including:

- Streamlining the procurement and accounts payable processes by eliminating the multitude of “blanket” purchase orders currently used and significantly reducing the number of invoices to be processed;
- Simplifying the procurement process for the maintenance staff by reducing the number of purchase orders that require tracking, and reducing the travel time between numerous suppliers and job sites;
- Providing improved inventory control by transferring this responsibility for the majority of parts and supplies to the vendor. City staff will only need to manage a much smaller inventory of commonly used parts and supplies thereby reducing financial risk to the City, saving staff time, and reducing facility space that is allocated to stock inventory.

Financial Considerations: The recommendation in this report does not result in any financial impact to the City. Upon approval of this recommendation staff will proceed with the RFP process and return to City Council with a recommendation for contract award.

Local Business Enterprise (LBE): No goods or services are being purchased as a result of this report.

RESOLUTION NO. 2014-

Adopted by the Sacramento City Council

September 23, 2014

SUSPENDING COMPETITIVE BIDDING AND AUTHORIZING THE USE OF A REQUEST-FOR-PROPOSALS PROCESS FOR FACILITY MAINTENANCE PARTS AND SUPPLIES

BACKGROUND

- A. City Code section 3.56.230(C) authorizes the City Council to suspend competitive bidding for the purchase of supplies when it determines, upon a two-thirds vote, that suspending such bidding is in the best interests of the City.
- B. The City would like to utilize a Request-for-Proposal Process (RFP), in lieu of traditional competitive bidding, to select a single vendor to provide facility maintenance parts and supplies such as light bulbs, paint, pipe, lumber, and air filters. The City would like to utilize one vendor for these types of purchases in lieu of bidding every item as doing so will significantly streamline the procurement and accounts payable processes by eliminating the multitude of “blanket” purchase orders currently used, as well as save staff time, and provide improved inventory control.
- C. In addition, suspending competitive bidding and authorizing an RFP process will allow the City to consider several factors, in addition to price, to select a vendor, such as delivery methods, the ability to partner with other vendors, return policy, inventory control systems, and references.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. In the best interests of the City, the City Council hereby authorizes the suspension of competitive bidding and the use of a Request-for-Proposals (RFP) process to identify and select a vendor to provide facility maintenance parts and supplies.