

RESOLUTION NO. 13-302

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING CUMULATIVE EXPENDITURES DURING FY 13-14 TO ENTITIES LISTED IN ATTACHMENT "A" IN EXCESS OF \$20,000.00; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Section 2-796 of the Code of Ordinances requires competitive bidding for purchases of supplies or services in excess of \$20,000.00; and

WHEREAS, City administrative staff often make small purchases from several entities which may over the course of a fiscal year cumulatively exceed \$20,000.00; and

WHEREAS, City staff also has several sole source providers which are essential to day to day operations and to the health, safety and welfare of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the expenditure of funds in excess of \$20,000 to entities listed in the Executive Summary from Assistant City Manager Mark Finigan, dated November 6, 2013, attached hereto as Attachment "A," for purchases is hereby authorized, so long as the Department Head and the Finance Department approve of the budgeted purchases.

Section 2: With respect to the blanket purchase orders, the provisions of the purchasing code must be followed for each individual purchase to ensure the best possible price is obtained for the benefit of the City and its taxpayers. No services shall be purchased pursuant to a blanket purchase order.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 19 day of November, 2013.


Authenticated by the presiding officer and Clerk of the Commission on November 20, 2013.

Filed with the Clerk November 20, 2013.

Mayor Craig Cates	<u>Yes</u>
Vice Mayor Mark Rossi	<u>Yes</u>
Commissioner Teri Johnston	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>
Commissioner Tony Yaniz	<u>Yes</u>

  
CRAIG CATES, MAYOR

ATTEST:

  
CHERYL SMITH, CITY CLERK

# EXECUTIVE SUMMARY



**TO:** Bob Vitas, City Manager

**FROM:** Mark Finigan, Assistant City Manager

**DATE:** November 6, 2013

**SUBJECT:** Purchases/Payments Made Pursuant to Sec 2-797 for FY 2013-14 and  
Purchases/Payments Made Pursuant to Blanket Purchase Orders for FY 2013-14

## Action Statement:

Respectfully request approval for the purchase/payment of certain City of Key West Fiscal Year 2013-14 requirements which exceed \$20,000 and are based on Section 2-797 of the City of Key West Code of Ordinances and for the approval to establish certain blanket purchase orders for supplies in which the estimated cumulative (all departments) expenditure for each established blanket purchase order vendor for the FY 2013-14 period is anticipated to exceed \$20,000.

## Background:

1. The City Commission is requested to approve the following purchases/payments pursuant to Section 2-797 of the Code of Ordinances. Such purchases/payments have been budgeted in the Fiscal Year 2013-2014 Operating Budget. Respective payment(s) will only be disbursed after supplies have been received and/or services have been rendered:

- Girls / Boys Club                      \$25,000              Section 2-797(1) Sole Source Procurement  
(Annual City Grant)
- Sungard Public Sector              \$188,833              Section 2-797(1) Sole Source Procurement  
(City-wide Hosted Financial/Community Development /Fleet/ Software Support Agreement-  
excluding PD)
- Sungard Public Sector              \$132,074              Section 2-797(1) Sole Source Procurement  
(Police Department- Crimes/Dispatch/MBD/Reporting Software Support Agreement)
- Host.net                      \$20,579              Lowest Cost between Limited Vendors  
(T1 Network connectivity for PD/MCSO Radio system, FMT and Transfer Station)
- Verizon Wireless              \$65,000              Section 2-797(3) State Contract  
(Estimated city-wide annual "air time" payments for 70+/- PD laptop air cards and 10+/-  
laptop air cards for Code/Bldg./Fire/Parking)
- Comcast                      \$29,844              Section 2-797(1) Sole Source Procurement  
There are two sources available locally for internet connectivity, Comcast and AT & T.  
Comcast has the ability to provide backup capability which was not offered by AT & T.

- Cooke Communications           \$52,720       Section 2-797(1) Sole Source Procurement  
(Estimated city-wide annual payments for KW Citizen advertising)
- Miami Tiresoles, Inc.           \$31,700       Section 2-797(3) State Contract  
(Estimated city-wide annual payments for tires to Miami Tiresoles)
- Banner Tire                   \$31,700       Section 2-797(3) State Contract  
(Estimated city-wide annual payments for tires to Banner Tire)
- Gillig Bus Parts               \$40,000       Section 2-797(1) Sole Source Procurement  
(Estimated city-wide annual payments for bus parts)
- Cummins Southeastern       \$35,000       Section 2-797(1) Sole Source Procurement  
(Estimated city-wide annual payments for major engine repairs/parts and one (1) major engine repair)
- CALE Parking Systems USA   \$58,875       Section 2-797(1) Sole Source Procurement  
(Software Support and Warranty Maintenance Coverage pay and display parking meters)
- Purchase Power               \$36,000       Section 2-797(1) Sole Source Procurement  
(City Wide Metered Postage)
- Flamingo Oil                 \$22,000       Section 2-797(1) Sole Source Procurement  
This requirement is for the annual procurement of fluids (oil/coolant and hydraulic) for use on City vehicles as well as heavy equipment. The City has neither the storage capacity or the dispensing capability so therefore must procure from a vendor who provides both storage/dispensing capability as part of their sale of fluids. Multiple vendors in the Keys and South Florida area were contacted and Flamingo Oil was the only vendor who would provide the needed capabilities as part of their sale of fluids to the City.
- Office Depot                 \$80,000       Section 2-797(3) State Contract  
(Estimated city-wide annual payments for office supplies to include printer cartridges, copy paper, low dollar office equipment items. Does not include office furniture which is separately priced)
- Interfleet                   \$20,556       Section 2-797(1) Sole Source Procurement  
(Estimated city-wide annual payments for vehicle GPS tracking software licensing & maintenance)
- Konica Minolta               \$50,850  
(Estimated city-wide annual operating lease payments on copiers. Competitive lease pricing is solicited on each City copier at time of lease renewal. Konica Minolta consistently offers the lowest lease terms over other name brand copier)

2. The City of Key West will or has established the following "blanket purchase orders" with the specified vendors for the purpose of ordering in an expedient manner necessary City supplies/commodities. No services shall be ordered under a blanket purchase order. Each blanket purchase order is established with strict departmental responsibilities in an effort to ensure no single purchase made pursuant to a blanket purchase order exceeds \$500.00. City Purchasing Code allows departments to purchase items under \$500 with only a single quote. However, the attached (Attachment A) City Manager directive to all Departments challenges all Departments to secure additional pricing "to the maximum extent possible" for even those requirements which are not anticipated to exceed \$500. Additionally, the Manager's directive ensures a proper accounting of such ordering is maintained and provides for an audit of such. Please note that all City wide ordering of paper goods, chemicals and printing services are not

purchased under blanket purchase order provisions but are competitively procured regardless of the dollar amount.

- Home Depot                      \$75,050              Blanket Purchase Order Policy  
(Estimated City Wide Annual purchases made pursuant to policy)
- Strunk Ace Hardware              \$69,800              Blanket Purchase Order Policy  
(Estimated City Wide Annual purchases made pursuant to policy)
- T & C Auto Parts                      \$35,600              Blanket Purchase Order Policy  
(Estimated City Wide Annual purchases made pursuant to policy)
- Advance Auto Parts                      \$32,300              Blanket Purchase Order Policy  
(Estimated City Wide Annual purchases made pursuant to policy)

**Recommendation:**

Approve the purchase/payment of certain City of Key West Fiscal Year 2013-14 requirements which exceed \$20,000 and are based on Section 2-797 of the City of Key West Code of Ordinances and for the approval to establish certain blanket purchase orders for supplies in which the estimated cumulative (all departments) expenditure for each established blanket purchase order vendor for the FY 2013-14 period is anticipated to exceed \$20,000.

## MEMORANDUM

To: Directors and Managers

FR: Bob Vitas, City Manager 

DA: October 01, 2013

RE: Blanket Purchase Orders FY 2013-14

Please be advised that each department shall establish, maintain, and have available for inspection a log for each blanket purchase order for your department. The log should indicate date of pickup, description of item, quantity, name of staff, and amount of purchase. No services can be purchased pursuant to a blanket purchase order.

Also, remember that each individual item purchased pursuant to a blanket purchase order may not exceed \$500.00 – those items over \$500.00 in value should be priced & competitively purchased separately. Purchases made as part of a project/major repair should be priced out separately and processed through a stand-alone purchase order, not through the blanket purchase order.

Though the Code allows for individual items less than \$500.00 in anticipated value to be procured without competition provided they met certain conditions it is my direction that individual items less than \$500.00 in anticipated value be priced to the maximum extent possible. The operative phrase is "to the maximum extent possible". If there are known local sources which could provide the required supply item, a reasonable attempt should be made to secure at a minimum one additional quote. The departmental log maintained to document purchases made pursuant to this policy should be the source document necessary to demonstrate the departments attempt to secure additional competition. If there are circumstances that prevent a department from securing at the minimum one additional quote, the log should clearly identify the basis for procuring from a single source. Examples of procuring from an additional source could be emergency, only one known local vendor or situations in which additional competition efforts do not warrant the additional administrative efforts to source a second vendor. We need to ensure we support all local vendors by creating an environment of full & open competition to the maximum extent possible.

No attempt should be made to circumvent the policy by multiple trips to the vendor or "breaking up" a requirement as to avoid competitive purchasing. Logs will be audited by Finance on a no notice basis throughout the year. Any department which circumvents the policy will jeopardize their ability to purchase pursuant to a blanket purchase order.

Signature required prior to process

\_\_\_\_\_  
Name of Director or Manager

\_\_\_\_\_  
Signature of Director or Manager

Requisition # \_\_\_\_\_ Date \_\_\_\_\_

Attach to POE