

RESOLUTION NO. 24-244

**A RESOLUTION OF THE CITY COMMISSION OF THE
CITY OF KEY WEST, FLORIDA, AUTHORIZING
PURCHASE EXEMPTIONS FOR CUMULATIVE
EXPENDITURES DURING FISCAL YEAR 24-25 TO
ENTITIES LISTED IN EXHIBIT "A" IN EXCESS OF
\$50,000.00; 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 \$50,000.00; and

WHEREAS, City staff often make small purchases from several entities which may over the course of a fiscal year cumulatively exceed \$50,000.00; and

WHEREAS, City departments will occasionally engage services and supply providers which are essential to day-to-day operations and to the health, safety and welfare of the City, without full and open competition, pursuant to one of the approved exemptions in Section 2-797 of the Code of Ordinances.

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 \$50,000.00 to entities listed in the Cover Memo from of Finance Christina Bervaldi, dated October 10th 2024, attached hereto as Exhibit "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 10th day of October, 2024.

Authenticated by the presiding officer and Clerk of the Commission on October 10, 2024.

Filed with the Clerk October 10, 2024.

Mayor Danise Henriquez	<u>Yes</u>
Vice Mayor Sam Kaufman	<u>Yes</u>
Commissioner Lissette Carey	<u>Yes</u>
Commissioner Monica Haskell	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Donald "Donie" Lee	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>



DANISE HENRIQUEZ, MAYOR

ATTEST:



KERI O'BRIEN, CITY CLERK



MEMORANDUM

Date: October 10, 2024

To: Honorable Mayor and Commissioners

Via: Todd Stoughton
Interim City Manager

From: Christina Bernaldi
Director of Finance

Subject: **Purchases and Payments Made Pursuant to Section 2-797 for Fiscal Year 2024-2025
and Blanket Purchasing Order Approval for Fiscal Year 2024-2025**

Introduction

Respectfully request approval for the purchasing/payment of certain City of Key West Fiscal Year 2024-25 budgeted requirements which are estimated to exceed \$50,000, based on Section 2-797 of the City of Key West Code or Ordinances. Also, request approval to establish certain blanket purchase orders for supplies in which the estimated cumulative expenditures for all departments for FY 2024-25 is estimated to exceed \$50,000.

Background

The City Commission is requested to approve the purchases/payments attached on Exhibit A, pursuant to one of the purchasing exceptions allowed under Section 2-797 of the City of Key West Code of Ordinances. Such purchases/payments have been appropriated in the FY 2024-25 budget. Respective payment(s) will only be disbursed after supplies have been received or services rendered.

The exemptions are as follows:

Section 2-797 (1) Sole Source
Section 2-797 (3) Procurement Pursuant to State Contract
Section 2-797 (4)(b) Best Interest of the City

In addition, the City of Key West will establish cumulative "blanket purchase orders" with the specified vendors in Exhibit A for the sole purpose of small dollar ordering to expedite the procurement of necessary City required supplies and commodities. These vendors include Home Depot and Strunk Ace Hardware.

No services shall be ordered under a blanket purchase order.

Each blanket purchase order is established with strict departmental responsibilities to ensure no single purchase made pursuant to a blanket purchase order exceeds \$500.00. All Department Directors have signed the attached memorandum acknowledging the understanding of departmental responsibilities when using a City of Key West blanket purchase order.

Please note that all City of Key West paper goods and chemicals are not purchased under a blanket purchase order provisions but rather are competitively priced regardless of the dollar amount.

Procurement

The funding allocations for the purchases listed are allocated throughout the Fiscal Year 2024-2025 budget in various Funds, Departments, and Account Numbers.

Recommendation

Respectfully request City Commission approval for the purchasing/payment of certain City of Key West Fiscal Year 2024-25 budgeted requirements which are estimated to exceed \$50,000, based on Section 2-797 of the City of Key West Code or Ordinances. Also, request approval to establish certain blanket purchase orders for supplies in which the estimated cumulative expenditures for all departments for FY 2024-25 is estimated to exceed \$50,000.

Exhibits:

Exhibit A – Detailed Listing of Exemptions Requested-Blanket Purchase Orders for Approval

Exhibit B – Department Director Memo Regarding Blanket Purchase Order Procedure



EXHIBIT A

Section 2-797 (1) Sole Source Exemptions

Key West Citizen	70,000	Sec 2-797 (1)
Estimated city-wide payments for display and legal advertising		
Central Square	160,000	Sec 2-797 (1)
Citywide software support, licensing support and training per agreement for ONESolution		
CALE	105,000	Sec 2-797 (1)
Software support and maintenance coverage for 100+ Pay & Display parking meters		
Ten-8	90,000	Sec 2-797 (1)
The authorized Pierce Apparatus Service provider in Florida		
PSI Technologies	300,000	Sec 2-797 (1)
Lift station pump, pump rebuilds and repairs		

Sec 2-797 (3) Procurement Pursuant to State Contract Exemptions

Verizon Wireless	70,000	Sec 2-797 (3)
Annual air-time payments for 70+/- KWPD laptop air cards 10+/- laptop air cards for Code, Bldg. & Fire, 2 iPads at KW Bight, Parking cell phones, EOC connectivity and Fleet vehicle tracking. Pursuant to State contract DMS-19/20-006		
Software House International	90,000	Sec 2-797 (3)
Annual license for MS Office 365 for all City departments pursuant to NASPO contract 43230000-23-NASPO-ACS		
Office Depot	70,000	Sec 2-797 (3)
Purchase for all City-wide office supplies Pursuant to State contract 44111513-17-01 Purchase of office furniture is competitively priced		
Konica	74,000	Sec 2-797 (3)
Annual lease payments for all City-wide multifunction printers pursuant to NASPO contract 140597 participating State of Florida agreement 44000000-NASPO-19-ACS		
Homestead Tire & Auto	70,000	Sec 2-797 (3)
Annual City-wide purchase of tires for City vehicles. Homestead Tire & Auto is an authorized dealer pursuant to State contract 25172500-24-ACS		
Bound Tree	110,000	Sec 2-797 (3)
Purchase of equipment and supplies for the City EMS department. Pursuant to Seminole County Contract		

Sec 2-797 (4) b Best Interest of the City Exemptions

FIRM	50,000	Sec 2-797 (4) b
Aid for FIRM to ensure for fair, equitable, and affordable property insurance rates		
Habitat for Humanity	50,000	Sec 2-797 (4) b
Home Repairs for Low Income Residents		
AT&T	150,000	Sec 2-797 (4) b
Citywide landline & some ISP communication services		
CivicPlus	67,000	Sec 2-797 (4) b
Audio Eye, Civic Ready, See Click Fix, and the City's Website		
Comcast	115,000	Sec 2-797 (4) b
Connectivity for remote sites and internet backup		

Blanket Purchase Orders

Home Depot	150,000	Blanket PO Policy
Estimated City purchases made pursuant to policy		
Strunk Ace Hardware	125,000	Blanket PO Policy
Estimated City purchases made pursuant to policy		



MEMORANDUM

Date: September 30, 2024

To: Directors and Managers

Via: Jessica Durocher
Central Purchasing Agent

From: Christina Bernaldi
Director of Finance

Subject: **Blanket Purchase Order Policy 2024-2025**

Section 2-771 of the City of Key West Code of Ordinances establishes the City's procurement policies regarding purchases made by the City of Key West. The Code establishes the following policy based on estimated values:

Purchases Under \$1,000.00	One Documented Written Quote
Purchases \$1,000.01 - \$5,000.00	Two Documented Written Quotes
Purchases \$5,000.01 - \$50,000.00	Three Documented Written Quotes
Purchases Over \$50,000.00	Competitive Bid Process

In an effort to make the procurement of supplies more efficient for departments, the City will utilize blanket purchase orders with select vendors. Blanket purchase orders are contracts with suppliers with specific dollar limits which allow for purchases using a single purchase order rather than creating many individual purchase orders. Under this blanket purchase order policy, each individual purchase made pursuant to a blanket purchase order may not exceed \$500.00 and any purchases over \$500.00 in value should be separately priced.

Purchases made as part of a project or major repair should be priced out separately and processed through a stand-alone purchase order, not through the blanket purchase order.

Any purchases made pursuant to a contract must only include items which are included within the contract parameters. If you wish to procure items which are not included in the contract pricing,

they must be priced individually according to the City of Key West's procurement policy.

No services can be purchased pursuant to a blanket purchase order.

No attempt shall be made to circumvent this policy by multiple trips to a vendor or "breaking up" a requirement as to avoid competitive purchasing. Any department which circumvents the policy will jeopardize their privilege to purchase pursuant to a blanket purchase order.

While Section 2-771 of the Code allows for small purchases with an estimated value of \$1,000.00 or less to be procured without competition therefore making the utilization of blanket purchase orders possible, it is also the City Manager's direction that individual items, or groups of like items, be priced to the maximum extent possible. If there are other known sources, especially local, which could provide the required item, a reasonable attempt should be made to secure the best price possible.

To track blanket purchase order usage and compliance with the City Manager's direction, each department shall maintain a log which documents purchases made pursuant to this policy. This log will become the source document necessary to demonstrate the department's 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 lone source. Examples preventing the procurement 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.

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 the date of pickup, description of item, quantity, name of staff, amount of purchase and documented attempts to secure additional pricing according to the preceding paragraph. Logs will be audited by Finance on a no notice basis throughout the year.

Please sign below as acknowledgement of this Blanket Purchase Order Policy for FY 2024-2025.

Department/Division

Printed Name of Director/Manager

Signature of Director/Manager