

RESOLUTION NO. 17-269

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING CUMULATIVE EXPENDITURES DURING FY 17-18 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 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 Finance Director Mark Z. Finigan, dated October 27, 2017, 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 8th day of November, 2017.

Authenticated by the presiding officer and Clerk of the Commission on November 9, 2017.

Filed with the Clerk November 9, 2017.

Mayor Craig Cates	<u>Yes</u>
Vice Mayor Clayton Lopez	<u>Yes</u>
Commissioner Sam Kaufman	<u>Yes</u>
Commissioner Richard Payne	<u>Yes</u>
Commissioner Margaret Romero	<u>Yes</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>


CRAIG CATES, MAYOR

ATTEST:


CHERYL SMITH, CITY CLERK

EXECUTIVE SUMMARY



TO: Jim Scholl, City Manager

FROM: Mark Z. Finigan, Finance Director

CC: Greg Veliz, Assistant City Manager

DATE: October 27, 2017

SUBJECT: Purchases/Payments Made Pursuant to Sec 2-797 for FY 2017-18 and
Blanket Purchasing Order Approval for FY 2017-18

Action Statement:

Respectfully request approval for the purchase/payment of certain City of Key West Fiscal Year 2017-18 budgeted requirements which are estimated to 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 for the FY 2017-18 period is estimated to exceed \$20,000.

Background:

1. The City Commission is requested to approve the following purchases/payments pursuant to one of the exceptions allowed under Section 2-797 of the Code of Ordinances. Such purchases/payments have been appropriated in the Fiscal Year 2017-2018 Budget. Respective payment(s) will only be disbursed after supplies have been received or services have been rendered:

- Comcast \$85,000.00 Section 2-797(1) Sole Source Procurement (Connectivity for remote sites and internet backup / AT & T offers limited capability)
- Superion \$97,640.00 Section 2-797(1) Sole Source Procurement (Police Department Software Support Agreement for One Solution)
- Superion \$79,310.00 Section 2-797(1) Sole Source Procurement (All City Financials Software Support Agreement for One Solution)
- Superion \$25,000.00 Section 2-797(1) Sole Source Procurement (Training Cost for All Applications of One Solution Software)
- Superion \$33,624.00 Section 2-797(1) Sole Source Procurement Community Development and Mobile Applications for One Solution Software
- Host.net \$27,995.00 Lowest Cost between Limited Vendors (T1 Network connectivity for PD/MCSO Radio system, FMT and Transfer Station)
- Verizon Wireless \$71,200.00 Section 2-797(3) State Contract (Estimated city-wide annual "air time" payments for 70+/- PD laptop air cards, 10+/- laptop air cards for Code/Bldg./Fire, Parking cell phones, 2 iPads at KW Bight and EOC connectivity).

- Software House Int'l \$72,875.40 Section 2-797(3) State Contract
(MS Office 365 for all City, Fire and Police)
- ESRI \$25,700.00 Section 2-797(1) Sole Source Procurement
(GIS Software License Fee)
- ShoreTel \$20,500.00 Section 2-797(1) Sole Source
Procurement (Annual maintenance and support agreement of City-wide
telephone system)
- Cooke Communications \$55,000.00 Section 2-797(1) Sole Source Procurement
(Estimated city-wide annual payments for KW Citizen advertising)
- Tiresoles of Broward, Inc. \$45,000.00 Section 2-797(3) State Contract
(Estimated city-wide annual payments for tires)
- Homestead Tire & Auto \$60,000.00 Section 2-797(3) State Contract
(Estimated city-wide annual payments for tires)
- Gillig Bus Parts \$70,000.00 Section 2-797(1) Sole Source Procurement
(Estimated city-wide annual payments for bus parts)
- Thermo King \$30,000.00 Section 2-797(1) Sole Source Procurement
(Estimated city-wide annual payments for bus parts)
- Voith Turbo \$22,000.00 Section 2-7797(1) Sole Source Procurement
(Transmission repairs to City buses)
- Cummins Southeastern \$55,000.00 Section 2-797(1) Sole Source Procurement
(Estimated city-wide annual payments for major engine repairs/parts)
- CALE Parking Systems \$70,000.00 Section 2-797(1) Sole Source Procurement
(Software Support, parts and Warranty Maintenance coverage for the Pay and Display
parking meters)
- Purchase Power \$36,000.00 Section 2-797(1) Sole Source Procurement
(City Wide Metered Postage)
- Flamingo Oil \$44,000.00 Section 2-797 (1) Sole Source Procurement
This requirement is for the annual procurement of fluids (oils, coolant, and hydraulic) for
use on City vehicles as well as heavy equipment. The City does not have the storage
capacity or the dispensing capability so, therefore, we 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.
- Monroe Concrete \$30,000.00 Section 2-797(1) Sole Source Procurement
Covers Concrete used for small sections of sidewalk repair by city crews. Does not
include concrete purchases associated with capital projects.
- Office Depot \$90,000.00 Section 2-797(3) State Contract
(Estimated city-wide annual payments for office supplies to include printer cartridges,
copy paper, low dollar equipment items. Does not include all office furniture which is
competitively priced)

- Ten 8 Fire Equipment \$40,000.00 Section 2-797(1) Sole Source Procurement (Authorized Pierce Apparatus Service Provider in Florida)
- Xylem \$200,000.00 Section 2-797(1) Sole Source Procurement
Lift station pumps, pump rebuilds and repairs. Only authorized & credentialed plant pump rebuilds and repairs
- Kamann \$100,000.00 Section 2-797(1) Sole Source Procurement
Pumps repairs and parts for the treatment plant.
- Konica Minolta \$55,000.00 Section 2-797(3) State Contract# 600-000-11-1
(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 copiers)

2. The City of Key West will establish the following "blanket purchase orders" with the specified vendors for the purpose of small dollar ordering in an effort expedient the procurement of City required 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 \$500.01 with only a single quote. Please note that all Citywide ordering of office supplies are purchased from Office Depot through State Contract. City wide printing requirements, paper goods and chemicals are not purchased under blanket purchase order provisions, but are competitively procured regardless of the dollar amount.

- Home Depot \$105,000.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)
- Strunk Ace Hardware \$105,000.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)
- Beckmann \$31,500.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)
- Raybro Electric \$20,000.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)
- Carquest \$35,000.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)
- Manley Deboer \$27,500.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)
- Sherwin Williams \$37,500.00 Blanket Purchase Order Policy
(Estimated City Wide Annual purchases made pursuant to policy)

Recommendation:

Approval of the purchase/payment of certain City of Key West Fiscal Year 2017-18 budgeted requirements which are estimated to 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 for the FY 2017-18 period is estimated to exceed \$20,000.

MEMORANDUM

To: Directors and Managers

FR: Mark Finigan, Finance Director



DA: October 2, 2017

RE: Blanket Purchase Orders FY 2017-18

Though the Code allows for small purchases less than or equal to \$500.00 in estimated value to be procured without competition provided they meet certain conditions it is the City Manager's direction that individual items (or group of like items) less than \$500.00 in estimated value be priced to the maximum extent possible. The operative phrase is "to the maximum extent possible". If there are known sources (especially local) which could provide the required supply item, a reasonable attempt should be made to secure, at a minimum, one additional quote. A departmental log shall be maintained to document purchases made pursuant to this policy and will become 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 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. No services can be purchased pursuant to a blanket purchase order.

Also, remember that each individual purchase pursuant to a blanket purchase order may not exceed \$500.00. Those purchases over \$500.00 in value should be separately priced & competitively purchased. 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.

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. Logs will be audited by Finance on a no notice basis throughout the year. Any department which circumvents the policy will jeopardize their privilege to purchase pursuant to a blanket purchase order.

Department/Division

Name of Director or Manager

Signature of Director or Manager