



# CITY OF CARSON

## Legislation Text

File #: 2019-963, Version: 1

### Report to Mayor and City Council

Tuesday, November 19, 2019

Discussion

#### **SUBJECT:**

**CONSIDER APPROVING RESOLUTION NO.19-182, RESOLUTION NO.19-183, RESOLUTION NO.19-184, AND RESOLUTION NO.19-185, AMENDING THE FISCAL YEAR 2019/20 BUDGET IN THE GENERAL FUND BY AUTHORIZING ADDITIONAL FUNDS FOR THE PAYMENT OF INVOICES FOR VARIOUS MATERIALS AND SUPPLIES USED BY THE PUBLIC WORKS DEPARTMENT (CITY COUNCIL)**

#### **I. SUMMARY**

As defined by Purchasing Ord.17-1609, § 2, “all expenditures greater than \$25,000 shall be approved by City Council”. During the fiscal year 2018-2019, purchases were made with 4 vendors (Blue Diamond Materials, Prudential Overall Supply, Pete’s Road Service and Zumar Industries) that exceeded the \$25,000 Blanket Purchase Order thresholds, and as a result City Council approval is requested.

It should be noted that any vendor who provides services before a Purchase Order (PO) has been issued or exceeds the PO amount risks late payment or possible non-payment.

#### **II. RECOMMENDATION**

TAKE the following actions:

1. AUTHORIZE the City Manager to amend the Purchase Order issued to Blue Diamond Materials to increase the amount by \$9,695.80
2. APPROVE Resolution No. 19-182, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for pavement materials with Blue Diamond Materials.
3. AUTHORIZE the City Manager to amend the Purchase Order issued to Prudential Overall Supply to increase the amount by \$7,764.15

4. APPROVE Resolution No. 19-183, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for uniform and mat rental services with Prudential Overall Supply.
5. AUTHORIZE the City Manager to amend the Purchase Order issued to Pete's Road Service to increase the amount by \$4,829.06
6. APPROVE Resolution No. 19-184, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for fleet related materials and service with Pete's Road Service.
7. AUTHORIZE the City Manager to amend the Purchase Order issued to Zumar Industries to increase the amount by \$2,874.82
8. APPROVE Resolution No. 19-185, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for traffic related supplies with Zumar Industries.

### **III. ALTERNATIVES**

1. DO NOT AUTHORIZE the City Manager to amend the Purchase Order issued to Blue Diamond Materials to increase the amount by \$9,695.80
2. DO NOT APPROVE Resolution No. 19-182, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for paving materials with Blue Diamond Materials.
3. DO NOT AUTHORIZE the City Manager to amend the Purchase Order issued to Prudential Overall Supply to increase the amount by \$7,764.15
4. DO NOT APPROVE Resolution No. 19-183, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for uniform and mat rental services with Prudential Overall Supply.
5. DO NOT AUTHORIZE the City Manager to amend the Purchase Order issued to Pete's Road Service to increase the amount by \$4,829.06
6. DO NOT APPROVE Resolution No. 19-184, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for fleet related materials and service with Pete's Road Service.
7. DO NOT AUTHORIZE the City Manager to amend the Purchase Order issued to Zumar Industries to increase the amount by \$2,874.82

8. DO NOT APPROVE Resolution No. 19-185, A Resolution of the City Council of the City of Carson, California, amending the Fiscal Year 2019/20 budget in the general fund by authorizing additional funds for the payment of invoices for sign materials with Zumar Industries.
9. TAKE another action the City Council deems appropriate and consistent with the requirements of the city's Purchasing Ordinance.

#### **IV. BACKGROUND**

With the Tyler Munis implementation, staff was becoming familiar with a new Purchasing Ordinance that changed the way routine purchases could be made. To begin the fiscal year with the necessary Blanket Purchase Orders in place, staff provided estimates that were later found to be lower than the actual amount needed. The intention was to request additional funding during the City's mid-year budget adjustment, but due to a number of factors, a midyear budget adjustment was not taken to Council for action. As such, staff did not have the opportunity to increase the original Blanket Purchase Order amounts to cover business needs, which impacted the following four vendors.

Blue Diamond Materials provides paving materials and supplies on an as-needed basis. A Blanket Purchase Order in the amount of \$24,000 was issued for the 2018-2019 fiscal year. The expenditures exceeded the original estimates, and the additional funding needed to cover past due invoices totals \$9,695.80.

Prudential Overall Supply operates under a general services agreement and provides uniform and mat rental services for various City departments. Within this general services agreement, a Blanket Purchase Order in the amount of \$20,200.00 was issued for the 2018-2019 fiscal year specifically for Public Works. The expenditures exceeded the original estimates, and the additional funding needed to cover past due invoices totals \$7,764.15.

Pete's Road Service provides fleet related parts and services on an as needed basis. A Blanket Purchase Order in the amount of \$24,999 was issued for the 2018-2019 fiscal year. The expenditures exceeded the original estimates, and the additional funding needed to cover past due invoices totals \$4,829.06.

Zumar Industries is a vendor that provides traffic related supplies on an as-needed basis. A Blanket Purchase Order in the amount of \$24,950.00 was issued for the 2018-2019 fiscal year. The expenditures exceeded the original estimates, and the additional funding needed to cover past due invoices totals \$2,874.82.

## V. FISCAL IMPACT

Funds for these items were not included in the FY 2019/20 budget; therefore, if the resolution is approved, a total of \$25,163.83 for the four vendors will be appropriated from the General Fund Reserve to the following accounts:

101-80-840-102-6016: \$989.68

101-80-840-105-6016: \$3,228.02

101-80-840-287-6016: \$42.07

101-80-840-104-7002: \$3,504.38

101-80-840-281-6009: \$9,695.80

101-80-840-275-6004: \$4,829.06

101-80-840-102-6004: \$2,874.82

## VI. EXHIBITS

Exhibit No. 1: Resolution Number 19-182 (pgs. 5-6)

Exhibit No. 2: Resolution Number 19-183 (pgs. 7-8)

Exhibit No. 3: Resolution Number 19-184 (pgs. 9-10)

Exhibit No. 4: Resolution Number 19-185 (pgs. 11-12)

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