



City of Rialto

Legislation Text

File #: CC-19-805, Version: 1

For City Council Meeting [August 13, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Administrator

FROM: Jessica Brown, Finance Director

Request City Council to Approve Increases to 24 Purchase Orders citywide in the total amount of \$274,479.23 as detailed in Attachment A for Fiscal Year 2018-19.

(ACTION)

BACKGROUND

Per the City's Municipal Code, Chapter 2.48 Purchasing, "purchases of goods or services in a dollar amount over fifteen thousand dollars shall require city council approval, unless any contract authorization for any particular contract has previously been delegated by the City Council."

ANALYSIS/DISCUSSION

As part of the City's fiscal year 2018-19 year-end process, the Purchasing Division is preparing to make final payments and close out Purchase Orders for the fiscal year. Through this process, multiple Purchase Orders require increases as final payments will result in the total Purchase Order amount exceeding fifteen thousand dollars or what was originally authorized by Council. In total, there are 24 Purchase Orders in the amount of \$2.5 million that require increases of \$274,479 for a revised total of \$2.8 million as summarized below by department and in detail in Attachment A.

Department	No. of Purchase Orders	Original PO Amount	Increase	Total PO Amount
Development Services	1	14,500	3,000	17,500
Finance	1	85,000	4,000	89,000
Fire	3	245,000	21,546	266,546
Human Resources	3	70,000	10,500	80,500
Information Technology Services	1	125,200	63,013	188,213
Information Technology Services/Code Enforcement	1	40,000	4,000	44,000
Non-Departmental	1	51,400	14,525	65,925
Police	1	14,750	1,449	16,199
Public Works	11	1,785,323	148,687	1,934,010
Rialto Utility Authority	1	66,920	3,760	70,680
Total	24	2,498,093	274,479	2,772,573

Development Services - an increase of \$3,000 is requested to one Purchase Order for a total

amount of \$17,500 for advertising expenses with the Daily Journal as a result of higher than anticipated advertising expenses associated with Request for Proposals and Request for Qualifications throughout the fiscal year. Available appropriation exists in the 2018-19 budget.

Finance - an increase of \$4,000 is requested for one Purchase Order for a total amount of \$89,000 for other expenses with Rahban CPA due to final billable hours being higher than anticipated for 2018-19 finance support services. Available appropriation exists in the 2018-19 budget.

Fire - an increase of \$21,546 is requested for three Purchase Orders for a total amount of \$266,546 for contract services with Kinco Weed Abatement (\$5,000) due to required weed abatement services exceeding what was anticipated and Zoll Medical (\$5,000) due to estimated cost of equipment higher than anticipated; and for fleet maintenance and replacement expenses with Fire Apparatus Solutions (\$11,546.29) due to additional work required for the Council approved Tiller Truck purchased for training. Available appropriation exists in the 2018-19 budget.

Human Resources - an increase of \$10,500 is requested for two Purchase Orders for a total amount of \$80,500 for contract services with Counseling Team (\$2,500) due to higher than anticipated pre-employment testing, Roth Staffing (\$5,000) due to required temporary administrative support services, and with Fox Occupational (\$3,000) due to higher than anticipated pre-employment physicals. Available appropriation exists in the 2018-19 budget.

Information Technology Services - an increase of \$63,013 is requested for one Purchase Order in the total amount of \$188,213 for contract services with Presido for continued IT support services. Council approved a professional services agreement with Presidio for a total not-to-exceed amount of \$125,200 or until the Information System Analyst position was filled. The recruitment process took longer than anticipated thus requiring an increase to the Purchase Order. Available appropriation exists in the 2018-19 budget.

Information Technology Services/Code Enforcement - an increase of \$4,000 is requested for one Purchase Order for a total amount of \$44,000 for contract services with Roth Staffing due to required temporary administrative support services for both the ITS and Code divisions. Available appropriation exists in the 2018-19 budget.

Non-Departmental - an increase of \$14,525 is requested for one Purchase Order for a total amount of \$65,925 for other expenses with Hinderliter, de Llamas & Associates due to additional required sales tax audit and recovery work.

Police - an increase of \$1,449 is requested for one Purchase Order for a total amount of \$16,199 for fleet maintenance and replacement services with Ride On Powersports due to higher than anticipated maintenance expenses. Available appropriation exists in the 2018-19 budget.

Public Works - an increase of \$148,687 for a total amount of \$1,934,010 for 11 Purchase Orders including:

- Other services and supplies of \$77,341.59 with St. Francis (\$56,400) for required traffic signal gears, parts and components; Inland Empire (\$13,981.87) for required landscape maintenance associated with additional areas annexed into districts in 2018-19; with Inland Overhead Door Company (\$413) for additional emergency roll-up door repairs; with Daily

Journal (\$6,200) for required advertising expenses associated with projects; with Ennis Flint (\$105.06) for required supplies; and Prudential Overall Supply (\$241.66) for supplies associated with new employees.

- Capital expenditures of \$26,780 with IDS Group (\$15,000) for the water bottle filling station and movable partitions at the Rialto Community Center and KOA (\$11,780) for grant writing services for the Urban Greening Grant.
- Contract services of \$43,094.15 with Wallace (\$43,000) for on-going construction management services and Siemens (\$94.15) for emergency repair of a city street light.
- Fleet maintenance and replacement charges of \$686.25 with Fritt's Ford for required parts.

Available appropriation exists in the 2018-19 budget.

Rialto Utility Authority - an increase of \$3,760 is requested for one Purchase Order for a total amount of \$70,680.30 for capital expenditures with Evpoqua due to sales tax not being included in the original quote for a capital purchase. Additional appropriation is required and the associated budget adjustments will be included in the 2018-19 yearend report.

In an effort to best maintain proper departmental expenditure authority going forward, the Finance Department will develop and provide future training citywide in the area of Purchase Orders and expenditure tracking/reconciliation.

ENVIRONMENTAL IMPACT

Pursuant to Section 15378 of the California Environmental Quality Act, a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

GENERAL PLAN CONSISTENCY

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW

The City Attorney has reviewed and approved this staff report.

FINANCIAL IMPACT

Operating Budget Impact

Approval of this item will increase the associated Purchase Orders in a total amount of \$259,096.43 in the various operating funds as detailed in Attachment A. Appropriation is available for \$255,336.13 of the requested increases in the 2018-19 budget and additional appropriation of \$3,760.30 is required for the Rialto Utility Authority and will be included in the 2018-19 yearend report.

Capital Improvement Budget Impact

Approval of this item will increase the associated Purchase Orders in a total amount of \$15,382.80 in various capital improvement funds as detailed in Attachment A. Appropriation is available in the 2018-19 budget.

RECOMMENDATION

Staff recommends that the City Council approves the requested increases to various Purchase Orders in the total amount of \$274,479.23 for a total of \$2,772,572.57 as detailed in Attachment A for fiscal year 2018-19.