

Purchasing & Contracting



Department Description

The Purchasing & Contracting Department is responsible for the City's centralized procurement and materials management functions to ensure the availability of materials, supplies, equipment, and services to meet the City's capital improvement program and operational needs. The Department manages the awarding of contracts for professional and general services that are necessary to support the City's operational and administrative functions. Procurement professionals carry on the daily operational contracting needs of the organization, maintain the warehousing of essential materials, support mail center operations, and administer internal service level agreements.

The Department's mission is:

To support the achievement of the City's Strategic Plan goals and objectives by providing superior services and support to City departments and customers for the centralized acquisition of services and supplies

Goals and Objectives

Goals and objectives have been reprinted here as they were adopted in the Fiscal Year 2010 budget. They will be revisited during Fiscal Year 2012.

Goal 1: Procure high quality products and services for the best value, promoting fiscally-sound, efficient City government

Provide the highest quality products and services at the best value to meet the various operational needs of the City. The Department continues to move toward accomplishing this goal by focusing on the following objectives.

- Standardize department operations
- Streamline procurement measures
- Implement strategic sourcing
- Improve vendor performance measurement
- Support of diversity and local businesses

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Goal 2: Effectively manage contracts and related data, promoting fiscally-sound, efficient City government

Having well-managed contracts, agreements, and supporting documents aid in the effective operation of the Department and the City as a whole. This will result in more efficient and timely receipt of goods and professional services. The Department moves toward accomplishing this goal by focusing on the following objectives.

- Implement integrated technical solutions for comprehensive contract management
- Provide customers with increased outreach on bid opportunities
- Improve staff contract administration training
- Streamline internal customer complaint notification process
- Resolve contractor issues in a timely manner

Goal 3: Provide excellent customer service

Ensuring that customers are provided excellent service is paramount to the organization. The Department will work to ensure that it is able to deliver accurate and timely customer service to enable City employees to perform their jobs more effectively. The Department moves toward accomplishing this goal by focusing on the following objectives.

- Improve guidance and resources available for internal and external customers
- Provide basic customer service training for department staff
- Enhance departmental teamwork
- Solicit customer feedback and use it to improve service delivery

Goal 4: Pursue continuous workforce learning to ensure critical, high quality skill sets and a responsive and innovative workforce

Developing and retaining a trained and skilled workforce is essential to the success of the Department. Ensuring that its employees are adequately trained, continuing to pursue professional development/education, and taking advantage of development opportunities, helps create a high performing organization that operates more efficiently and effectively. The Department moves toward accomplishing this goal by focusing on the following objectives.

- Participate in professional organizations and regional contracting efforts
- Support professional development and training
- Implement team rotations and cross training

Goal 5: Promote the highest ethical standards and behavior among employees to promote public trust and confidence in City government

The Department moves toward accomplishing this goal by focusing on the following objectives.

- Offer training to management and staff on ethical standards
- Management review of standards and ethical practices with staff on a regular basis
- Provide training on ethic standards set by National Institute of Governmental Purchasing (NIGP), National Association of Purchasing Managers (NAPM), and/or National Contract Management Association (NCMA)

Service Efforts and Accomplishments

The Purchasing & Contracting efforts that began late Fiscal Year 2009 to find better ways to manage its chemical purchases for PUD has proven to be a great success. In May 2009, the Department negotiated reduced price for Caustic Soda 50 percent solution for a temporary price variance (TVA) cost of \$533.75 per dry ton down from original bid price of \$828.75. In December 2009, the Department negotiated the price down to \$343.33 per dry ton effective January 4, 2010. Cost savings for first half of Fiscal Year 2010 was \$389,812 which brings the total Fiscal Year 2010 cost savings to \$659,732 with TVA, or \$1.1 million from the original 2008 bid price. The Department also negotiated a seven percent price reduction for Sodium Hydroxide PRI-SC for a total dollar benefit to the City of \$102,775 for Fiscal Year 2010 and negotiated over a 6 percent price reduction for ferric chloride for a savings of \$313,425. Total Price reduction for Fiscal Year 2010 was \$1.5 million.

The Department completed a competitive solicitation for a Microsoft Enterprise License agreement reaching a new deal that will save the City approximately \$500,000 a year on its Microsoft software products.

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The Department also coordinated the streamlining of the City Development Block Grant process and resolution of CDBG issues involving processing of purchase requisitions, agreements, invoices, and payments.

For the ninth straight year, the Purchasing & Contracting Department received the Achievement of Excellence in Procurement Award from the National Purchasing Institute, an award that recognizes organizational excellence in procurement.

The Department also maximized the functionality of SAP and created a contract tracking system for all contracts signed by the Purchasing Agent.

As of March 1, 2010, the Department processed over 6,100 purchase orders for a total value of \$678.8 million and 74 construction and Architectural & Engineering professional services contracts were awarded totaling over \$41.0 million.



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Department Summary

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Positions	62.00	60.00	(2.00)
Personnel Expenses	\$ 4,866,374	\$ 4,666,659	\$ (199,715)
Non-Personnel Expenses	23,181,447	22,858,839	(322,608)
Total Department Expenses	\$ 28,047,821	\$ 27,525,498	\$ (522,323)
Total Department Revenue	\$ 24,577,413	\$ 24,566,971	\$ (10,442)

General Fund

Department Expenditures

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Purchasing & Contracting	\$ 4,267,264	\$ 3,665,027	\$ (602,237)
Total	\$ 4,267,264	\$ 3,665,027	\$ (602,237)

Department Personnel

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Purchasing & Contracting	40.00	37.00	(3.00)
Total	40.00	37.00	(3.00)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Adjustment to Contracts and Equipment Outlay Funding allocated according to a zero-based annual review of contract and equipment outlay requirements.	0.00	\$ 33,298	\$ -
Revised Revenue Adjustment to reflect Fiscal Year 2011 revenue projections.	0.00	-	(90,356)
Total	0.00	\$ 33,298	\$ (90,356)

Expenditures by Category

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
PERSONNEL			
Salaries and Wages	\$ 2,290,633	\$ 1,930,484	\$ (360,149)
Fringe Benefits	1,246,742	1,347,981	101,239
PERSONNEL SUBTOTAL	\$ 3,537,375	\$ 3,278,465	\$ (258,910)
NON-PERSONNEL			
Supplies	\$ 57,048	\$ 51,399	\$ (5,649)
Contracts	211,173	144,277	(66,896)
Information Technology	344,689	159,215	(185,474)
Energy and Utilities	5,371	5,371	-
Other	95,362	26,300	(69,062)
Capital Expenditures	16,246	-	(16,246)
NON-PERSONNEL SUBTOTAL	\$ 729,889	\$ 386,562	\$ (343,327)
Total	\$ 4,267,264	\$ 3,665,027	\$ (602,237)

Purchasing & Contracting

Revenues by Category

		FY2010 Budget		FY2011 Adopted		FY2010-2011 Change
Charges for Current Services	\$	616,850	\$	636,500	\$	19,650
Other Revenue		180,006		70,000		(110,006)
Total	\$	796,856	\$	706,500	\$	(90,356)

Personnel Expenses

Job Number	Job Class	Job Title / Wages	FY2010 Budget	FY2011 Adopted	Salary Range	Total
20000012	1105	Administrative Aide 1	2.00	2.00	\$36,962 - \$44,533	\$ 81,865
20000024	1107	Administrative Aide 2	2.00	2.00	42,578 - 51,334	48,836
20000071	1153A	Assistant Engineer-Civil	0.00	1.00	57,866 - 69,722	67,249
20000070	1153	Assistant Engineer-Civil	1.00	0.00	57,866 - 69,722	-
20000143	1221	Associate Engineer-Civil	2.00	0.00	66,622 - 80,454	-
20000145	1221B	Associate Engineer-Civil	0.00	2.00	66,622 - 80,454	145,065
20000119	1218	Associate Management Analyst	5.00	5.00	54,059 - 65,333	246,505
20000539	1535	Clerical Assistant 2	1.00	1.00	29,931 - 36,067	31,926
20000545	1536	Contracts Processing Clerk	3.00	3.00	32,968 - 39,811	114,060
20001101	2132	Department Director	1.00	1.00	59,155 - 224,099	139,678
20000924	1876	Executive Secretary	1.00	1.00	43,555 - 52,666	51,349
20000293	1349	Information Systems Analyst 3	1.00	1.00	59,363 - 71,760	71,760
20000680	1648	Payroll Specialist 2	1.00	1.00	34,611 - 41,787	40,742
20000791	1783	Principal Procurement Specialist	3.00	2.00	59,363 - 71,864	137,978
20000227	1282	Procurement Specialist	7.00	7.00	49,109 - 59,488	344,361
20001222	2270	Program Manager	2.00	1.00	46,966 - 172,744	-
20000890	1855E	Senior Civil Engineer	0.00	2.00	76,794 - 92,851	164,538
20000885	1855	Senior Civil Engineer	2.00	0.00	76,794 - 92,851	-
20000927	1879	Senior Clerk/Typist	1.00	1.00	36,067 - 43,514	42,426
20000015	1106	Senior Management Analyst	1.00	1.00	59,363 - 71,760	67,813
20000879	1850	Senior Procurement Specialist	1.00	1.00	53,955 - 65,270	63,638
20000756	1746	Word Processing Operator Bilingual - Regular	3.00	2.00	31,491 - 37,918	67,783 2,912
Salaries and Wages Subtotal			40.00	37.00		\$ 1,930,484

Employee Offset Savings	\$	24,203
Flexible Benefits		206,725
Long-Term Disability		17,896
Medicare		27,029
Other Post-Employment Benefits		208,890
Retirement ARC		655,596
Retirement DROP		3,642
Retirement Offset Contribution		61,139
Risk Management Administration		32,340
Supplemental Pension Savings Plan		75,734
Unemployment Insurance		4,176
Unused Sick Leave		1,589

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Personnel Expenses (Cont'd)

Job Number	Job Class	Job Title / Wages	FY2010 Budget	FY2011 Adopted	Salary Range	Total
		Workers' Compensation				29,022
Fringe Benefits Subtotal						\$ 1,347,981
Total Personnel Expenses						\$ 3,278,465

Budget by Program

	FY2011 Positions	FY2011 Expenditures	FY2011 Revenue
Contract Services	11.00	\$ 964,424	\$ 360,000
General Administration/Management	8.00	896,610	1,500
IT Non-Discretionary	0.00	159,215	–
PCard Program	2.00	194,678	70,000
Procurement	16.00	1,450,100	275,000
Total	37.00	\$ 3,665,027	\$ 706,500

Central Stores Fund

Department Expenditures

	FY2010 Budget	FY2011 Adopted	FY2010–2011 Change
Central Stores	\$ 23,749,090	\$ 23,843,662	\$ 94,572
Purchasing & Contracting	31,467	16,809	(14,658)
Total	\$ 23,780,557	\$ 23,860,471	\$ 79,914

Department Personnel

	FY2010 Budget	FY2011 Adopted	FY2010–2011 Change
Central Stores	22.00	23.00	1.00
Total	22.00	23.00	1.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Central Stores Consolidation Transfer of 1.00 FTE Storekeeper 2 from the Fire-Rescue Department to Central Stores due to the consolidation of Central Stores.	1.00	\$ 79,914	\$ 79,914
Non-Personnel Expenditures Adjustment Adjustment reflects addition of non-personnel expenditures to balance revenue and expenditures.	0.00	74,391	–
Total	1.00	\$ 154,305	\$ 79,914

Expenditures by Category

	FY2010 Budget	FY2011 Adopted	FY2010–2011 Change
PERSONNEL			
Salaries and Wages	\$ 802,301	\$ 760,903	\$ (41,398)
Fringe Benefits	526,698	627,291	100,593
PERSONNEL SUBTOTAL	\$ 1,328,999	\$ 1,388,194	\$ 59,195

Purchasing & Contracting

Expenditures by Category (Cont'd)

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
NON-PERSONNEL			
Supplies	\$ 21,997,000	\$ 22,071,391	\$ 74,391
Contracts	249,497	257,111	7,614
Information Technology	102,424	50,022	(52,402)
Energy and Utilities	96,401	85,555	(10,846)
Other	6,236	8,198	1,962
NON-PERSONNEL SUBTOTAL	\$ 22,451,558	\$ 22,472,277	\$ 20,719
Total	\$ 23,780,557	\$ 23,860,471	\$ 79,914

Revenues by Category

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Charges for Current Services	\$ 23,675,557	\$ 23,755,471	\$ 79,914
Other Revenue	105,000	105,000	-
Total	\$ 23,780,557	\$ 23,860,471	\$ 79,914

Personnel Expenses

Job Number	Job Class	Job Title / Wages	FY2010 Budget	FY2011 Adopted	Salary Range	Total
20000011	1104	Account Clerk	2.00	2.00	\$31,491 - \$37,918	\$ 73,940
20000171	1236	Auto Messenger 1	1.00	1.00	26,208 - 31,491	27,844
20000110	1194	Auto Messenger 2	6.00	6.00	29,931 - 36,067	210,990
20000539	1535	Clerical Assistant 2	2.00	2.00	29,931 - 36,067	63,299
20000227	1282	Procurement Specialist	1.00	1.00	49,109 - 59,488	-
20000927	1879	Senior Clerk/Typist	1.00	1.00	36,067 - 43,514	-
20000951	1899A	Stock Clerk	0.00	1.00	30,056 - 36,275	35,368
20000950	1899	Stock Clerk	5.00	4.00	30,056 - 36,275	106,104
20000955	1902	Storekeeper 1	1.00	1.00	34,611 - 41,517	40,479
20000956	1903	Storekeeper 2	1.00	2.00	37,835 - 45,718	86,197
20000953	1901	Storekeeper 3	1.00	1.00	39,811 - 47,882	45,249
20000538	1533	Stores Operations Supervisor	1.00	1.00	45,573 - 55,078	53,701
		Bilingual - Regular				1,456
		Overtime Budgeted				16,276
Salaries and Wages Subtotal			22.00	23.00		\$ 760,903

Employee Offset Savings	\$ 7,639
Flexible Benefits	121,500
Long-Term Disability	6,877
Medicare	9,671
Other Post-Employment Benefits	126,624
Retirement ARC	255,298
Retirement DROP	1,100
Retirement Offset Contribution	25,958
Risk Management Administration	19,600
Supplemental Pension Savings Plan	22,194
Unemployment Insurance	1,605

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Personnel Expenses (Cont'd)

Job Number	Job Class	Job Title / Wages	FY2010 Budget	FY2011 Adopted	Salary Range	Total
		Unused Sick Leave				610
		Workers' Compensation				28,615
Fringe Benefits Subtotal						\$ 627,291
Total Personnel Expenses						\$ 1,388,194

Budget by Program

	FY2011 Positions	FY2011 Expenditures	FY2011 Revenue
General Administration/Management	0.00	\$ 129,271	\$ -
IT Non-Discretionary	0.00	50,022	-
Inventory Purchases	0.00	22,041,906	21,841,382
Mail Center Operations	8.00	491,462	421,319
Storeroom Operations	11.00	799,598	547,414
Stores Accounting	4.00	348,212	1,050,356
Total	23.00	\$ 23,860,471	\$ 23,860,471

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Revenue and Expense Statement (Non-General Fund)

Central Stores Fund	FY2010 Budget*	FY2011 Adopted
BEGINNING BALANCE AND RESERVES		
Balance from Prior Year	\$ 777,443	\$ 28,589
TOTAL BALANCE AND RESERVES	\$ 777,443	\$ 28,589
REVENUE		
Interoffice Mail Delivery	\$ 371,319	\$ 371,319
Reimbursed Material	21,841,382	21,841,382
Reimbursed Material Surcharge	1,462,856	1,462,856
Reimbursement Between Funds	-	79,914
Surplus Property Sales	30,000	30,000
Surplus Property Sales Surcharge	75,000	75,000
TOTAL REVENUE	\$ 23,780,557	\$ 23,860,471
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 24,558,000	\$ 23,889,060
OPERATING EXPENSE		
Inventory Purchases	\$ 21,967,515	\$ 22,041,906
Personnel and Non-Personal Expense	1,813,042	1,818,565
TOTAL OPERATING EXPENSE	\$ 23,780,557	\$ 23,860,471
TOTAL EXPENSE	\$ 23,780,557	\$ 23,860,471
BALANCE	\$ 777,443	\$ 28,589
TOTAL EXPENSE, RESERVES, AND BALANCE	\$ 24,558,000	\$ 23,889,060

* At the time of publication, audited financial statements for Fiscal Year 2010 were not available. Therefore, the Fiscal Year 2010 column reflects final budget amounts from the Fiscal Year 2010 Adopted Budget. As such, current fiscal year balances and reserves are estimates of carryover from the previous fiscal year.