

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

Fiscal Year 2010 goals and objectives are reprinted here as they were originally adopted. They have not been updated to reflect mid-year budget reductions, as implementation of those changes will occur in phases during the remainder of Fiscal Year 2010, making it difficult to provide reliable projections of service levels and performance targets. Additionally, an effort is currently underway to update the City's Strategic Plan goals and objectives, which may also alter the City's objectives, strategies, and performance expectations for the remainder of Fiscal Year 2010 and beyond.

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

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- Implement strategic sourcing
- Improve vendor performance measurement
- Support of diversity and local businesses

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 7 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 a 6.47 percent price reduction for ferric chloride for a savings of \$313,425. Total Price reduction for Fiscal Year 2010 was \$1.5 million.

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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.

The Department also coordinated the streamlining of the CDBG 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 A&E professional services contracts were awarded totaling over \$41.0 million.

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Department Summary

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
Positions	62.00	59.00	(3.00)
Personnel Expenses	4,866,374	4,585,293	(281,081)
Non-Personnel Expenses	23,181,447	22,784,448	(396,999)
Total Department Expenses	28,047,821	27,369,741	(678,080)
Total Department Revenue	24,577,413	24,487,057	(90,356)

Central Stores Fund

Department Expenditures

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
Central Stores	23,749,090	23,684,518	(64,572)
Purchasing & Contracting	31,467	16,809	(14,658)
Fund Total	23,780,557	23,701,327	(79,230)

Department Personnel

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
Central Stores	22.00	22.00	0.00
Fund Total	22.00	22.00	0.00

Expenditures by Category

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
PERSONNEL			
Salaries and Wages	802,301	715,185	(87,116)
Fringe Benefits	526,698	588,256	61,558
SUBTOTAL PERSONNEL	1,328,999	1,303,441	(25,558)
NON-PERSONNEL			
Supplies	21,997,000	21,997,000	0
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
SUBTOTAL NON-PERSONNEL	22,451,558	22,397,886	(53,672)
Total	23,780,557	23,701,327	(79,230)

Purchasing & Contracting

Revenues by Category

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
Charges for Current Services	23,675,557	23,675,557	0
Other Revenue	105,000	105,000	0
Total	23,780,557	23,780,557	0

Department Personnel Expenditures

Job Number	Job Title	FY2010 Budget	FY2011 Proposed	Salary Range	Total
2000011	Account Clerk	2.00	2.00	31,491 - 37,918	73,940
20000110	Auto Messenger 2	6.00	6.00	29,931 - 36,067	210,990
20000171	Auto Messenger 1	1.00	1.00	26,208 - 31,491	27,844
20000227	Procurement Spec	1.00	1.00	49,109 - 59,488	0
20000538	Stores Operations Supv	1.00	1.00	45,573 - 55,078	53,701
20000539	Clerical Asst 2	2.00	2.00	29,931 - 36,067	63,299
20000927	Sr Clerk/Typist	1.00	1.00	36,067 - 43,514	0
20000950	Stock Clerk	5.00	4.00	30,056 - 36,275	106,104
20000951	Stock Clerk(Auto Parts Stock Clrk)	0.00	1.00	30,056 - 36,275	35,368
20000953	Storekeeper 3	1.00	1.00	39,811 - 47,882	45,249
20000955	Storekeeper 1	1.00	1.00	34,611 - 41,517	40,479
20000956	Storekeeper 2	1.00	1.00	37,835 - 45,718	40,479
	Bilingual - Regular				1,456
	Overtime Budgeted				16,276
Salaries and Wages Total		22.00	22.00		715,185

Fringe Benefits

Retirement ARC	239,669
Supplemental Pension Savings Plan	20,800
Retirement Offset Contribution	24,404
Retirement DROP	1,100
Employee Offset Savings	7,182
Workers' Compensation	22,774
Flexible Benefits	115,425
Risk Management Administration	18,620
Long-Term Disability	6,466
Unemployment Insurance	1,509
Medicare	9,008
Other Post-Employment Benefits	120,726

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Department Personnel Expenditures

Job Number	Job Title	FY2010 Budget	FY2011 Proposed	Salary Range	Total
	Unused Sick Leave				573
Fringe Benefits Total					588,256
Personnel Expenses Total					1,303,441

Department Budget by Program

	FY2011 Positions	FY2011 Expenditures	FY2011 Revenue
General Administration/Management	0.00	129,271	0
Inventory Purchases	0.00	21,967,515	21,841,382
Mail Center Operations	8.00	491,809	421,319
Storeroom Operations	10.00	714,386	467,500
Stores Accounting	4.00	348,324	1,050,356
IT Non-Discretionary	0.00	50,022	0
Total	22.00	23,701,327	23,780,557

General Fund

Department Expenditures

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
Purchasing & Contracting	4,267,264	3,668,414	(598,850)
Fund Total	4,267,264	3,668,414	(598,850)

Department Personnel

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

Significant Budget Adjustments

	FTE	Expenditure	Revenue
Revised Revenue	0.00	0	(90,356)
Adjustment to reflect Fiscal Year 2011 revenue projections.			
Adjustment to Contracts and Equipment Outlay	0.00	33,298	0
Funding allocated according to a zero-based annual review of contract and equipment outlay requirements.			
Budget Adjustments Total	0.00	33,298	(90,356)

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Expenditures by Category

	FY2010 Budget	FY2011 Proposed	FY2010-2011 Change
PERSONNEL			
Salaries and Wages	2,290,633	1,930,484	(360,149)
Fringe Benefits	1,246,742	1,351,368	104,626
SUBTOTAL PERSONNEL	3,537,375	3,281,852	(255,523)
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	0
Other	95,362	26,300	(69,062)
Capital Expenditures	16,246	0	(16,246)
SUBTOTAL NON-PERSONNEL	729,889	386,562	(343,327)
Total	4,267,264	3,668,414	(598,850)

Revenues by Category

	FY2010 Budget	FY2011 Proposed	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)

Department Personnel Expenditures

Job Number	Job Title	FY2010 Budget	FY2011 Proposed	Salary Range	Total
20000012	Administrative Aide 1	2.00	2.00	36,962 - 44,533	81,865
20000015	Sr Mgmt Anlyst	1.00	1.00	59,363 - 71,760	67,813
20000024	Administrative Aide 2	2.00	2.00	42,578 - 51,334	48,836
20000070	Asst Eng-Civil	1.00	0.00	57,866 - 69,722	0
20000071	Asst Eng-Civil(Cntrct Spec)	0.00	1.00	57,866 - 69,722	67,249
20000119	Asoc Mgmt Anlyst	5.00	5.00	54,059 - 65,333	246,505
20000143	Asoc Eng-Civil	2.00	0.00	66,622 - 80,454	0
20000145	Asoc Eng-Civil(Sr Cntrct Spec)	0.00	2.00	66,622 - 80,454	145,065
20000227	Procurement Spec	7.00	7.00	49,109 - 59,488	344,361
20000293	Info Sys Anlyst 3	1.00	1.00	59,363 - 71,760	71,760
20000539	Clerical Asst 2	1.00	1.00	29,931 - 36,067	31,926
20000545	Contracts Processing Clrk	3.00	3.00	32,968 - 39,811	114,060
20000680	Payroll Spec 2	1.00	1.00	34,611 - 41,787	40,742
20000756	Word Processing Oper	3.00	2.00	31,491 - 37,918	67,783
20000791	Principal Procurement Spec	3.00	2.00	59,363 - 71,864	137,978

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Department Personnel Expenditures

Job Number	Job Title	FY2010 Budget	FY2011 Proposed	Salary Range	Total
20000879	Sr Procurement Spec	1.00	1.00	53,955 - 65,270	63,638
20000885	Sr Civil Engineer	2.00	0.00	76,794 - 92,851	0
20000890	Sr Civil Engineer(Princ Cntrc Spec)	0.00	2.00	76,794 - 92,851	164,538
20000924	Executive Secretary	1.00	1.00	43,555 - 52,666	51,349
20000927	Sr Clerk/Typist	1.00	1.00	36,067 - 43,514	42,426
20001101	Department Director	1.00	1.00	59,155 - 224,099	139,678
20001222	Program Manager	2.00	1.00	46,966 - 172,744	0
	Bilingual - Regular				2,912
Salaries and Wages Total		40.00	37.00		1,930,484

Fringe Benefits

Retirement ARC	656,716
Supplemental Pension Savings Plan	75,734
Retirement Offset Contribution	61,139
Retirement DROP	3,642
Employee Offset Savings	24,203
Workers' Compensation	30,497
Flexible Benefits	206,725
Risk Management Administration	32,340
Long-Term Disability	17,896
Unemployment Insurance	4,176
Medicare	27,029
Other Post-Employment Benefits	209,682
Unused Sick Leave	1,589
Fringe Benefits Total	1,351,368

Personnel Expenses Total

3,281,852

Department Budget by Program

	FY2011 Positions	FY2011 Expenditures	FY2011 Revenue
Contract Services	11.00	964,159	360,000
General Administration/Management	8.00	897,018	1,500
PCard Program	2.00	194,794	70,000
Procurement	16.00	1,453,228	275,000
IT Non-Discretionary	0.00	159,215	0
Total	37.00	3,668,414	706,500

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Revenue and Expense Statement

	FY2010 Budget	FY2011 Proposed
CENTRAL STORES		
BEGINNING BALANCE AND RESERVES		
Balance from Prior Year	777,443	(158,058)
TOTAL BALANCE AND RESERVES	777,443	(158,058)
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
Surplus Property Sales	30,000	30,000
Surplus Property Sales Surcharge	75,000	75,000
TOTAL REVENUE	23,780,557	23,780,557
TOTAL BALANCE, RESERVES, AND REVENUE	24,558,000	23,622,499
OPERATING EXPENSE		
Inventory Purchases	21,967,515	21,967,515
Personnel and Non-Personal Expense	1,813,042	1,733,812
TOTAL OPERATING EXPENSE	23,780,557	23,701,327
TOTAL EXPENSE	23,780,557	23,701,327
BALANCE	777,443	(78,828)
TOTAL EXPENSE, RESERVES AND BALANCE	24,558,000	23,622,499