



Item Number:

City Council / Board of Directors

Written Communications

Meeting of: June 20, 2023

Submitted By:

Sophie Smith, Deputy City Manager / City Treasurer

Subject:

Fiscal Year 2023/2024 Contracts/Renewals - Annual Supply and Service Agreements

Recommendation:

That the City Council/Board of Directors award contracts for the Annual Supply and Service Agreements to various vendors and suppliers for Fiscal Year 2023/2024 per the Adopted Budget approved on June 06, 2023.

Fiscal Impact:

The following departments have included their annual costs in their department budgets:

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| • City Manager | • Community Services |
| • Fire | • Engineering |
| • VMUS | • Public Works |
| • SCLA | • Water |
| • Economic Development/Successor Agency | • Building |
| • Finance | • Code Compliance |
| • Information Technology | • Planning |

Each of these departments have budgeted their respective contracts in the June 06, 2023, Adopted Budget. The various funding sources are listed in the tables in the Discussion section. Annual Supply Agreements total \$3,393,435.00 and the Annual Service Agreements total \$13,232,843.70.

Strategic Plan Goal:

These annual supply and service agreements align with *Goal/ A: Financial Sustainability* – foster fiscal health through disciplined long-term planning, cost control, increased revenues, and cost recovery. Locking in our vendors and suppliers on multi-year annual contracts ensures pricing stability and continued service levels. *Goal/ C: Support the economic vitality and preservation of the community for all its members.* Stable pricing

on supplies and services allows various departments the resources to initiate development projects throughout the city. *Goal E:* Invest in Infrastructure. Various vendors are key components to the design of infrastructure and innovation throughout the city.

Discussion:

Various departments throughout the year work with Purchasing staff to determine frequently requested/needed supplies and services. Purchasing staff determines if these supplies or services warrant a multi-year contract to avoid market price fluctuations and establish a preferred purchasing method to protect the City from these fluctuations by increasing financial stability and predictability in terms of prices, charges, and service quality. One of the advantages of multi-year contracts include reduction in administrative and maintenance costs by creating fixed annual pricing for repetitive commodity purchases, thus reducing the need for multiple instances of bidding, soliciting quotes, purchase orders, and other administrative costs while stabilizing prices over a period of five years. In addition, annual maintenance contracts provide the City with a form of assurance knowing repairs will be provided efficiently and economically. The City is guaranteed the supplier will keep a full stock of original spare parts, have qualified personnel readily available for preventative maintenance and emergency calls, standby equipment, and offer substantial discounts. The City can better predict its spending through annual contracts and develop spending trends to seek ways to improve savings, thereby providing continuous improvement of its processes over the long term.

Each of the competitively bid and/or sole source contracts from the following supply and service providers allow for an additional one-year contract renewal option based on performance. Purchasing staff worked with appropriate City and District staff to inquire a desire to exercise the renewal option available for these agreements for an additional option year, based on satisfactory performance, those department approvals are attached for your reference. The listed supply and service providers have expressed an interest in exercising said options for Fiscal Year 2023/2024, and a majority have agreed to honor the contract pricing with the inclusion of State regulations involving the Department of Industrial Relations (DIR) prevailing wage requirements SB854 and AB219.

In regard to one of our service contracts, High Desert Homeless Services' contract renewal for their Interim Shelter operations includes a reduced scope of services and a month-to-month term. High Desert Homeless Services continuance of services as the shelter operator at the Interim Shelter is required until such time operations transition to the Wellness Center. Transition of the clients from the Interim Shelter to the Wellness Center, which includes the closure of the Interim Shelter, is anticipated to occur within the next six months.

Below is a list of supply and service agreements staff is seeking for approval.

Annual Supply Provider Agreements

VENDOR	TYPE OF SERVICE	DEPT	FY 2023/2024	FUNDING SOURCE
All Star Fire Equipment	Fire Prevention Equipment & Supplies	FIRE	\$485,000.00	Fire Equipment Expense
LN Curtis	Fire Prevention Equipment & Supplies	FIRE	\$250,000.00	Fire Equipment Expense
Flyers Energy	Fuel	PW	\$200,000.00	Gen Fund Bulk Fuel Inventory
Southern Counties	Fuel	PW	\$250,000.00	Gen Fund Bulk Fuel Inventory
Merrimac Energy	Fuel	PW	\$200,000.00	Gen Fund Bulk Fuel Inventory
Beck Oil	Fuel	PW WATER SCLA FIRE	\$750,000.00 \$250,000.00 \$119,605.00 \$190,000.00	Gen Fund Bulk Fuel Inventory; Water Production, Admin & Field; Airport Operations; General Fund-Fire
Imperial Sprinkler	Irrigation Supplies	PW PARKS	\$100,000.00 \$100,000.00	PW-LMAD/DFAD/MAD Gas Tax, LTF, Storm Drain, Sewer, PW-Parks General Fund
Robertson's	Concrete Products	PW SCLA	\$135,080.00 \$ 25,000.00	PW-Gas Tax, LTF, Measure I, Sewer, Storm Drain; SCLA-Airport Operations
Vulcan Materials	Hot Mix Asphalt	PW WD SCLA	\$120,750.00 \$ 30,000.00 \$ 50,000.00	PW-Gas Tax, General Fund, Water, Sewer; VWD -Field Infrastructure Repairs; SCLA-Airport Operations

Waxie	Janitorial Supplies	PW-PARKS BUILDING-FAC. FIRE SCLA	\$40,000.00 \$58,000.00 \$25,000.00 \$15,000.00	General Fund - Parks General Fund- Fac. General Fund – Fire Airport Operations
Total Annual Supply Provider Agreement Amount			\$3,393,435.00	

Annual Service Provider Agreements

VENDOR	TYPE OF SERVICE	DEPT	FY 2023/2024	FUNDING SOURCE
Dell	Microsoft EA & Subscriptions Renewal; Dell Server, Compellent San & APC Support and Battery Refresh; VMware Renewal; Tape Library, SQL Licenses	IT	\$310,500.00	General Fund
NTT America (formally Dimension Data)	Cisco Smartnet, Managed Services, Meraki, Lic. & Webex Sub.	IT	\$250,000.00	General Fund
Logicalis	Veeam Backup, Cisco AMP for Endpoints, Cisco Umbrella & Security Licensing	IT	\$200,000.00	General Fund
Tyler Technologies	Munis, TCM, Energov Software AND Tyler Direct Renewal and Support	IT	\$896,423.00	General Fund Water Solid Waste & Dev. Tech
Robert Half International	Consultative & Talent Acquisition Services	IT	\$218,000.00	General Fund
OpenGov	Financial Transparency Software	IT	\$150,000.00	General Fund
Alltech Industries, Inc.	Security Guard Services	FINANCE COMMUNITY SERVICES	\$109,893.36 \$102,490.00	General Fund Water/Solid Waste
Clifton/Larson/Allen LLP	Professional Auditing Services	FINANCE	\$144,953.00	General Fund, Water, Airport Operations

HDL	Sales and Use Tax Measure P	FINANCE	\$150,000.00 \$50,000.00	General Fund; Measure P
Astrum Utility Services	Consultant – Municipal Utility Operations	VMUS	\$193,200.00	Foxborough-Electric/ VMUS Utility Operations
IEC Corporation	Qualified Electrical Engineers	VMUS	\$200,000.00	Foxborough-Electric/ VMUS Utility Operations
4Leaf	Building and Fire Inspection	BUILDING FIRE	\$436,500.00	Building Fire Contract Services
High Desert Homeless Services	Interim Homeless Shelter Lead Operator at the Westwinds Sports Center located at 18241 George Blvd.	Planning	\$830,000.00	Measure P
Harris & Associates	Housing Successor Agency/RFP Review	EDD	\$5,000.00	CHAS, Contract Service
	Annual ROPS & Tax Increment	City Manager	\$70,000.00	City Manager-SCLA
	Bond Continuing/ Disclosure Reports	City Mgr/(EDD)	\$57,000.00	CDR/HDPT; BV CDR & SA Contract Services
	General Plan & Housing Element Annual Progress Report	Planning	\$33,395.00	General Fund
	Old Town Community Revitalization (CRIA)	Planning	\$10,000.00	State Grant-Development
AGA Engineers, Inc.	Traffic Signal Design	ENG	\$160,000.00	Measure I
HR Green	On-Call Plan & Map Checking	ENG	\$150,000.00	General Fund, On-Call
Water Systems Consulting	On-Call Engineering Services	ENG	\$250,000.00	Water Operations
Woodard & Curran	SCLA Wastewater Treatment Plan Misc. Eng. Services	ENG	\$497,200.00 \$160,000.00	Wastewater Treatment Plant
Fireworks & Stage FX America	4 th of July Annual Fireworks Show	COMMUNITY SERVICES	\$206,000.00	General Fund-Fireworks
American Landscape	Landscape Maint.	PW	\$844,495.00	DFAD, LMAD, MAD
T.R. Stewart-Roto-	Qualified Sewer	PW	\$300,000.00	Sewer

Rooter	Lateral Repairs			
VJL Waste dba Alpha Omega	Qualified Sewer Lateral Repairs	PW	\$225,000.00	Sewer
West Coast Arborist	Tree Trimming	PW PARKS	\$84,475.00 \$50,000.00	PW- LTF, Sewer, LMAD, DFAD, MAD, PW-Parks General Fund
Burns & McDonnell	Building Support, Construction Management & Inspection Services & ALP Update	SCLA	\$902,243.34 \$594,996.00	FAA Grants
Ferguson Enterprise	Automated Meter Reading System and Water Meters	WD	\$870,000.00	Water Operations Meter Service Change Outs
InfoSend	Utility Billing Mailing	WD - (FINANCE) PW- (FINANCE)	\$177,200.00	VWD-Water Operations/ PW-Sanitation
Clinical Labs	Lab Services	WD	\$150,000.00	Water Operations
Eurofins	Lab Services	WD	\$150,000.00	Water Operations
General Pump	Well Maintenance	WD	\$771,000.00	Water Production
Layne Christensen	Well Maintenance	WD	\$771,000.00	Water Production
Univar	Water Treatment Chemicals	WD	\$317,000.00	Water HDPP
Mojave Water Agency	Administrative & Biological Assessment	WD	\$175,280.00	Water Production/Gro und Water
Mojave Water Agency	Recover (R3) Water Deliveries	WD	\$821,600.00	Water Production/Pur chased Water
Konica Minolta	Copier Least & Maint.	Various Dept.	\$188,000.00	Various Funds
Total Annual Service Agreement Amount			\$13,232,843.70	

Staff from Finance, City Manager, SCLA, VMUS, Code Compliance, Building, Planning, Fire, Engineering, Public Works, Information Technology, Economic Development and Water departments have reviewed the agreement options and recommend contracts/ renewals for Fiscal Year 2023/2024. The contract/renewal costs of these contracts were included in the overall budget for Fiscal Year 2023/2024, adopted on June 06, 2023. There are no additional appropriations requested.

Staff remains available to answer any questions the Council may have.

Attachments: A. Department Head Approvals