



**CITY OF MODESTO
COUNCIL AGENDA REPORT**

DATE OF MEETING:
January 23, 2018

Date: January 18, 2018

TO: Mayor and City Council

FROM: Joseph P. Lopez, Interim City Manager

SUBJECT: Review of City Purchasing/Contracting Practices and Recommended Corrective Action

CONTACT: Joseph P. Lopez, joelopez@modestogov.com, 209-577-5224

DESCRIPTION:

Consider approving various Blanket Purchase Orders, professional services agreements and Annual Purchase Agreements and amendments to those purchasing documents; ratifying past expenditures that exceeded Council authority; increasing expenditure authority; and extending the terms of various agreements. (Funding Source: Various Funds)

STRATEGIC PLAN ELEMENT:

This action supports the 2015-2018 Council Strategies & Initiatives: Effective Responsive & Transparent Government; *Making informed decisions embracing best practices and continuous improvement.*

BACKGROUND:

During the Summer and Fall of 2017, while reviewing amounts entered into the purchasing program for purchase agreements relating to hot patch work, staff determined that incorrect amounts had been entered into the purchasing system. As a result of those incorrect entries, it was discovered that the City paid amounts to vendors that had not been previously authorized by Council. Additionally, during that review it was discovered that some staff may have been utilizing incorrect policies and procedures during the procurement process. Consequently, it was determined that City staff needed to conduct a thorough review of all of the existing contracts, memorandum of understandings, agreements and purchase agreements (hereinafter referred to as "purchasing documents") to get a basic understanding of the City's current obligations for goods and services. This initial review focused on existing active purchase documents because of the importance of continuing critical City services and bringing these purchasing documents into compliance with the City's policies and procedures.

During the fall, it was clear that the enormity of this project and the challenge to do it right and regain the trust of the public and the Council required dedicated and specialized skill sets. As a result, the Interim City Manager formed a larger task force to analyze all of the purchase documents and sought the assistance of an outside forensic investigator, an audit firm Hudson

Henderson and Co., and a project coordinator, Mr. Bob Deis, Senior Consultant for the Public Management Group (PMG) division of the RSHS LLP law firm.

The team reviewed over 1,000 purchasing items and found 45 that either violated the explicit limitations of Chapter 3, Title 8 of the Municipal Code or reflected a custom and practice that was not consistent with the spirit and intent of the Municipal Code. Staff determined that 9 of the 45 items needed to be brought to Council immediately to ensure the vendors were paid in a timely manner and to ensure that there was a continuation of services. Some of those items include services for hot patch work, background investigations, security services and mailing services. The balance of the items are presented herein for Council review, discussion and requested approval as one agenda item, with the exception of the Aramark contract, which is being presented as a separate item.

DISCUSSION:

Staff has completed its review of the 45 purchasing items and is prepared to share the results of that review with Council. In order to facilitate the discussion and Council understands the various agreements or purchase orders involved, which each arguably has its own “story”, the balance (36) of the 45 items have been aggregated into 5 groups with shared attributes. The groups are based upon the following: A) what happened *i.e.* lessons learned; B) what has been implemented or will be implemented to prevent this in the future; and, C) what actions are recommend from the Council that provides compliance with the Municipal Code, continuity of City services and adequate time for staff to complete the competitive bidding process of section 8-3.203 of the Modesto Municipal Code (request for bids or proposals).

The knowledge and experience of Mr. Deis has been critical to this review. In retaining Mr. Deis, the City took advantage of his unique background, which includes a distinguished 34-year public service career, and for the last 4 years he has been helping public agencies up and down the state address various challenges and crises. As part of his scope of work, Mr. Deis was asked to provide a report that reflects an independent city manager perspective of the City’s practices and to examine the City’s organization and culture and opine on what factors contributed to this problem and what policies and practices should be in put in place to reduce the likelihood of a repeat occurrence.

Mr. Deis’ findings, which are more thoroughly discussed in his report, are summarized below and the entire report is attached.

What Are the Most Relevant Standards for Purchases and Contracts?

There are many standards which govern the City’s purchases, including the City’s Charter, Municipal Code and the City’s Purchasing Manual. However, instead of focusing on the details on all the standards that we expect the organization to comply with, Mr. Deis’ report focuses on only a few of the most relevant ones. Many of these standards are found in Modesto’s Municipal Code. The Purchasing Manager is delegated the responsibility, via the Municipal Code to ensure conformance with these standards and many more.

First, there is a competition standard to help ensure that the City gets the best price. This is satisfied in many ways *e.g.* informal quotes or bids, but when the purchase is expected to exceed \$50,000, the formal bid procedures must be completed, unless an exception to the formal bid procedures is applicable. Examples of exemptions are when the Purchasing Manager

can justify that competition will not add value or when there is only one product or vendor that can meet the City's specific needs (sole source purchase). There are criteria to guide both requests and approvals of these exceptions.

Second, there is a review and approval standard outlined in the Municipal Code. Some might also call this a transparency/accountability standard. Essentially, if the purchase is valued at more than \$50,000 (with specific exceptions listed in the Code), the Municipal Code requires Council review and approval. The key here is the Council wants to know how staff determined the recommendation to award business to a vendor or vendors and what is the total value of the purchase over the life of that item *e.g.* a multi-year contract or annual purchase agreement. If staff receives the approval from Council to purchase goods for a specific identified amount, then staff must come back if they think they might need more than that figure.

How Does the City Implement and Control for These Standards?

To implement and control for these standards, staff has created standard contracts, Blanket Purchase Orders (typically one year in length with a \$50,000 cap along with other restrictions), and Annual Purchase Agreements (essentially purchase orders exceeding one year, which typically have a five-year term). Thus, the Council action typically involves awarding a contract/purchase, approving a Purchase Agreement for certain goods/services, not to exceed a certain dollar value and with a specific term period.

Finally, staff has (or should have) installed systems that provide checks and balances (internal controls) along with management tools to ensure staff does not violate the Municipal Code, and the actual Council action for each purchase activity. Internal controls are also to protect against malfeasance or fraud that might be perpetuated by an employee and/or vendor.

What Generally Happened—Lessons Learned?

Most public agencies follow a "separation of duties" or internal control approach where various people have a piece but not the whole authority to process a transaction. Unless there is collusion across program areas, one person should be checking the work of other staff. This in turn reduces the likelihood for errors or malfeasance.

In Modesto, the organization culture did not make it clear that everyone, including operating departments, have a responsibility to ensure conformance with the Municipal Code. Thus, when Annual Purchase Agreements limits were being exceeded and purchasing simply amended those caps without going back to Council, it appears the operating departments did not question this practice. They were also not provided the management information tools to perform this task as well. Thus, one key control mechanism was essentially eliminated at Modesto. As Mr. Deis' report mentions, when one control is eliminated it provides more latitude to others to do what they want.

The second control breakdown is part cultural but also partly the result of high turnover and extended vacancies in the City workforce. However, at the end of the day, it is a training issue. This gets to what criteria one uses to determine whether the \$50,000 cap is reached, as discussed above. Many operating departments believed that the \$50,000 cap gets reset every year for Annual Purchase Agreements. Some staff believed that if there was a contract for a project that cost less than \$50,000 and there was a contract for another project with the same

vendor with similar scope of work over multiple years, the \$50,000 cap also resets for each project. The City Attorney and the Interim City Manager read the language of Chapter 3, Title 8 of the Municipal Code relating to City Contracts, and specifically sections 8-3.101, 8-3.102, 8-3.103, 8-3.202(j) and 8-3.203 to indicate that those interpretations do not comport with the spirit and intent of Municipal Code's. These examples can be the start of a slippery slope of "don't ask and don't tell" at worst and a training issue at best. Purchasing needs to be aware of staff turnover in operating departments to confirm that new staff is properly trained to ensure consistency in practices.

The third control point that failed on occasion was within the Purchasing staff, the group in charge of overseeing the purchasing process. It appears they readily allowed for violation of the Municipal Code as summarized above. Purchasing staff was careless when entering agreement limits into the Oracle system and/or amended the Council approval dollar caps without going back to Council for approval. The terms of agreements were extended and agreements were created that exceeded \$50,000 all without going to Council. And since Purchasing staff inserted these inappropriate amounts in the Oracle system, the Accounts Payable staff (a fourth control point) did not see any cause for concern and authorized payment.

Finally, due to the completeness of this review project, staff identified various (mainly) professional service contracts that have no end dates (evergreen contracts) or missing dollar caps. Although evergreen contracts do not violate any provisions of the Municipal Code, it was determined that a termination date to every contract should be added so that the contract could be reviewed periodically and provide improvements to the controls of the organization.

We have learned a lot with our unprecedented review of over 1,000 purchasing transactions. There are other enhanced controls that staff has already or will be putting in place in the near future.

There has been an extensive list of blanket purchases (300 with a cap of \$50,000) that are renewed each year with limited review. Some were regularly exceeded, which are being addressed below. Over half of them have received little or no activity in the first half of this fiscal year, thus staff is reviewing the necessity of maintaining these. Furthermore, some are for the same Blanket Purchase Orders for goods and services, thus they should be subject to the bidding process and become Annual Purchase Agreements so that they are controlled more regularly and efficiently. Staff will be reviewing these before next fiscal year.

One repeated explanation for why departments exceeded their expenditure caps is when the Annual Agreement was initiated by one department but another department later started using that same Agreement. As a result, Finance staff has begun either assigning departmental "owners" of certain contracts, or we are "forcing" an allocation of the expenditure cap between the departments.

Finally, to reduce the likelihood for errors for price increases during the term of Agreements, Finance staff plans to load the pricing terms into the Oracle system as well. This will become another tool for controlling these changes.

Getting Specific—Correcting the Remaining Purchasing/Contracting Errors

Resolution 1 Correcting annual Purchase Agreements that Exceeded Council Action or the Municipal Code \$50,000 Cap and That Require a Term Extension

These represent 7 of the 45 items in question. We have segregated these into a separate attachment for readability purposes (See Attachment A). This Attachment provides detailed information on each item, for:

- #4-Pacific Storage
- #7-Burton's Fire and LN Curtis and Sons
- #8-Delta Wireless
- #13-Pacific Maintenance Company
- #14-Zap Manufacturing, Inc.
- #17-MC Print Direct
- #45-Fastenal Company Inc.

A. What Happened?

These represent Annual Purchase Agreements that were initiated for a certain dollar amount, all but one was within the \$50,000 cap discussed above. They have starting dates that go back as far back as 2002—see #4 Pacific Storage in Attachment A. Rather than going to the City Council and seek, for example, a five-year Annual Purchase Agreement, staff chose to simply amend the termination dates and the total agreement amounts in Oracle, likely each year. For example, in Attachment A, the Pacific Storage “Oracle Agreement Amount” is \$320,000, which is far different than the original \$50,000 figure. By inappropriately changing the amount in the Oracle system, this allowed accounts payable to approve payment, thinking there was proper authority.

One of the items listed, MC Print Direct, did go to Council for approval, but the dollar caps were exceeded, largely due to an unexpected purchase volume and no one went back to Council for adjustments in the caps.

B. What Has Already Been Implemented or Will Be Put in Place to Prevent a Repeat

If the agreement exceeds \$50,000 there will have to be Council action. There will be four gatekeepers to ensure conformance with expenditure caps set by Council. The source documents related to the Council action will be uploaded into the Oracle system—thus easily accessible for reference. Input into the Oracle system, whether it is a new dollar cap or a change in the term will be first completed by the buyer. The Purchasing Manager will separately review every entry. The Director of Finance will then be a third level of review. The operating departments, in their new role will be a fourth level review.

All City departments have been notified by the Interim City Manager that they will be responsible for contract management and encouraged to improve upon their estimates for expenditure activity and the tracking of them during the relevant period. Finance has created management reports that identify and track expenditure activity vis-à-vis the original cap and they will be notified as the term date approaches, to provide time for the bidding process.

The City will implement Mr. Deis' recommendations, specifically: 1) requiring each department head to appoint a person that is responsible for contract administration; 2) there will be regular meetings with the working group to share information and to improve processes; 3) we will memorialize the interpretation of the \$50,000 cap (doesn't reset each year) into the Purchasing Processes Manual and establish an Administrative Directive (a citywide policy designed to ensure consistency across the organization): and, 4) there will a robust training effort, especially to compensate for turnover in departments.

C. Requested Council Action Tonight—Correcting the Errors and Providing Time for Replacement

Clearly since identifying this problem, the purchasing queue has increased dramatically since there are many requests to rebid items before caps are reached or terms run out to avoid adding to the list of 45 items. As a result, staff is requesting, in many cases, to extend the term ending date to, typically September 30, 2018. For Pacific Storage, the recommended action is to move it to December 31, 2018 because if we change vendors, the logistics of moving our stored items will take time. Finally, the Fire Department is asking to move Burton's Fire/LN Curtis & Sons' (fire hose replacement) termination dates until June 2019. Eventually these will all be rebid, resulting in new Annual Purchase Agreements. Commensurate with the extension, staff is recommending increases in the expenditure caps. Similar to the 8 items approved by Council in the Fall/Winter of 2017, staff is requesting that Council ratify the previous expenditures that exceeded the authorized caps.

Resolution 2 Correcting annual Purchase Agreements that Exceeded Council Action or the Municipal Code \$50,000 Cap but Do Not Require a Term Extension

These represent 4 of the 45 items and have been segregated into a separate attachment for readability purposes (See Attachment B). This Attachment provides detailed information on each item, for:

- #2-Groeniger/Ferguson
- #11-San Diego Police Equipment
- #12-ASA Greater San Joaquin
- #15-Fletcher Landscaping

A. What Happened?

The errors here are similar to what was made in Resolution 1, altering term dates and expenditure caps without going to Council as required by the Municipal Code. Please note the difference between the original "Agreement Limit Amount Total" and the "Oracle Agreement Amount"

B. What Has Already Been Implemented or Will Be Put in Place to Prevent a Repeat

The same changes detailed above are, or will be implemented by staff.

C. Requested Council Action Tonight—Correcting the Errors

The requested action in this resolution is the same as in Resolution 1, but staff is not using these Agreements until there are replacements, thus staff is not recommending time extensions.

Resolution 3 Correcting Blanket Purchase Order Amounts That Have Regularly Exceeded the Municipal Code \$50,000 Cap in the Past and Will Likely Repeat in the Future

These represent 12 of the 45 items and have been segregated into a separate attachment for readability purposes (See Attachment C). This attachment provides detailed information on each item, for:

- #21-Dittos
- #22-FleetPride Inc.
- #23-Gillig Corporation
- #24-Grainger Inc.
- #25-Groeniger/Ferguson
- #26-Home Depot
- #27-Motor Parts
- #28-Normac
- #29-Platt Electric
- #30-Rayco Industrial Supply
- #32-Valley Tire Sales Inc.
- #33-Wille Electric Supply Co. Inc.

A. What Happened?

Expenditure trends are suggesting that these Blanket Purchase Orders will exceed the \$50,000 cap before the close of the fiscal year. In researching past practices, we found these to be repeat offenders; however, staff did not request bids to convert these to Annual Agreements and go to Council for approval. Purchasing simply amended the expenditure cap in violation of the Municipal Code (Note the differences between the “Oracle Agreement Amount” and the maximum allowed as required by the Municipal Code in Attachment C. Please note similar occurrences is in the other Attachments as well.).

B. What Has Already Been Implemented or Will Be Put in Place to Prevent a Repeat

These Blanket Purchase Orders are being put into the purchasing queue for bidding and will be converted to Annual Agreements and will be presented to Council for review and approval from Council by June 30, 2018.

Again, any changes will be first entered into Oracle by a buyer, reviewed separately by the Purchasing Manager and then the Director of Finance. Since, these are Blanket Purchase Orders; they will be rejected if the request is to exceed \$50,000 until they receive Council approval.

C. Requested Council Action Tonight—Correcting the Errors

Staff is recommending that Council approve an increase to the expenditure caps commensurate with the departmental expenditure trends for the first half of the year. All Blanket Purchase Orders end on June 30, 2018.

Resolution 4 Authorizing and Amending Annual Purchase Agreements, Ratifying Past Expenditures and Increasing Expenditure Authority

These represent 4 of the 45 items and have been segregated into a separate attachment for readability purposes (See Attachment D). This Attachment provides detailed information on each item, for:

#3-Office Depot
#18-Adesa Golden Gate
#19-Emergency Vehicle Outfitters
#20-Enterprise Vehicle Exchange

A. What Happened?

This group represents a mixture of issues. Office Depot and Emergency Vehicle Outfitters were purchase activities that were generated by “piggy-backing” on other public agency processes and contracts. The Municipal Code specifically allows for this, but it requires City Council approval, which does not appear to have occurred. However, the purchases through Office Depot go all the way back to 1993.

The other two items represent sources for purchasing low mileage used vehicles that is utilized by Fleet. There was no evidence of these items ever going to Council for approval.

B. What Has Already Been Implemented or Will Be Put in Place to Prevent a Repeat

These purchases will be converted to Annual Purchase Agreements for the future, thus subject to the Oracle controls. In the past, the City has used a payment review process called the “Non-PO” where a department can submit a request to pay a vendor, with justification, but it is outside the Oracle control system of using Annual Purchase Agreements and PO’s. Many professional services agreements use this Non-PO system for payment.

As recommended by Mr. Deis, Finance staff will be reviewing all expenditures that are outside the controls of the payroll and Oracle systems. We will likely be recommending that more agreements, especially professional services agreements, will be put into the Oracle system for tracking and controlling.

C. Requested Council Action Tonight—Correcting the Errors

Staff is recommending that Council: 1) ratify past expenditures that exceeded City Council authority; 2) approve new Annual Purchase Agreements that include past expenditure activity; and, 3) increase the expenditure cap, the estimated future expenditures to September 30, 2018 so that these Purchase Agreements can be replaced.

Resolution 5 Authorizing Professional Services Agreements, Amend Other Professional Agreements, Ratifying Past Expenditures and Authorizing Increases in the Caps and Terms.

These represent 9 of the 45 items and have been segregated into a separate attachment for readability purposes (See Attachment E). This Attachment provides detailed information on each item, for:

- #34-Kidz Love Soccer
- #35-Armistead Research
- #36-Loomis Armored Carrier
- #37-Moss Adams
- #38-Public Surplus
- #39-Segal
- #40-Wildan Financial Advisory Services
- #41-Cooper and Scully
- #44-Du-All Safety

A. What Happened?

These items reflect agreements for professional services that were typically not loaded into the Oracle system for control purposes. Professional service agreements are considered exempt from the bidding requirements pursuant to Modesto Municipal Code section 8-3.204(a). However, some reflect contracts with the same vendor, for similar work, but parceled out as separate contracts for each project. Some had no termination date. As discussed above, the City is moving away from contracts with no termination date and the \$50,000 cap still applies to these contracts to require Council approval for any purchase that is over \$50,000.

B. What Has Already Been Implemented or Will Be Put in Place to Prevent a Repeat

We are loading all professional services agreements into the Oracle system so that we have better expenditure control. We are monitoring multiple contracts with the same vendor and requiring they be combined when determining applicability of the \$50,000 cap. We are also terminating evergreen contract usage.

C. Requested Council Action Tonight--Correcting the Errors

Similar to previous corrections, staff is recommending that Council ratify past expenditures, authorize extension of terms, typically to September 30, 2018 along with commensurate increases in the caps to provide time for replacement contracts.

Resolution 6 Increasing Expenditure Caps to Blanket Purchase Orders and Annual Purchase Agreements Without Changes to other Terms

These represent 12 items that are not part of the 45 mentioned above (See Attachment F). This resolution represents how it should occur during the year. Purchasing coordinated with the operating departments and reviewed expenditure trends. From this review, Purchasing staff identified Blanket Purchase Orders and Annual Purchase Agreements that will likely exceed their caps during the relevant term, but have not as of yet. Staff is being proactive in bringing these 12 items to Council to avoid the potential of violating the Municipal Code and Council authority.

A. What Happened?

As part of the City's new ethos that operating departments are true partners in ensuring compliance with the Municipal Code, staff coordinated a review of all expenditure activity and trends to see if there will be potential problems in the future. These 12 items were identified as having higher unexpected expenditure trends and are candidates for hitting the \$50,000 cap.

B. What Has Already Been Implemented or Will Be Put in Place to Prevent a Repeat

The Finance Department is working with all other City departments to improve forecasting of expenditure trends. Some of these Blanket Purchase Orders will be candidates for Annual Purchase Agreements, thus providing additional expenditure authority for the future.

C. Requested Council Action Tonight—Ensuring Compliance with the Municipal Code

Staff is recommending that Council increase expenditure caps for the previously mentioned Annual Purchase Agreements and Blanket Purchase Orders.

FISCAL IMPACT:

There will be no additional fiscal impact or budget appropriation sought as a result of approval of the various actions called for by this item. Although some of the costs have already been expended by the City, there will be additional costs relating to the approvals given by Council. Any additional costs as a result of increases to contract expenditure authorities will be absorbed within existing budgets across the various funds and City departments. Ultimately, it is expected that this purchasing review will provide more controls over City expenditures which will result in savings to the City in the long run. Additionally, Attachment G provides a list of all agreements which have already been approved at a prior Council meeting due to staff spending above Council authority. Below is a brief summary of the financial impacts per Resolution:

Resolution 1 requests corrections to seven different annual agreements. The requested action seeks to amend the total Council authority for these seven agreements by \$1,464,997 for amounts that have already exceeded Council's authority. This addresses errors that go back many years, in one case back to 2002. It also seeks to increase the seven contracts by a total additional amount by \$338,050 for future work until such time as the RFP/RFB process has been concluded and a replacement agreement is in place.

Resolution 2 requests corrections to four different annual agreements. The requested action seeks to amend the total Council authority for these four contracts by \$1,682,276 for amounts that have already exceeded Council's authority. The largest agreement which made up this amount was Groeniger/Ferguson at \$1,338,511 and dates back to an agreement start date of June 5, 2012. No additional funds for are necessary for agreements within this category.

Resolution 3 requests corrections to twelve blanket purchase orders. The requested action seeks to increase the blanket purchase orders by a total additional amount above Council's authority of \$875,250 for future goods/services.

Resolution 4 requests corrections to four annual agreements. The requested action seeks to amend the total Council authority for these four agreements by \$8,372,381 for amounts that have already exceeded Council's authority. The largest agreement in this group is for Office

Depot at \$7,895,861 and dates back to an agreement start year of 1993. This resolution also seeks to increase the contracts by a total additional amount of \$775,000 for future good/services. This provides the adequate time to effectuate replacements for these agreements. The largest increase for this request is due again to Office Depot with an increase request of \$500,000 for future goods/services.

Resolution 5 requests corrections to nine purchasing agreements. The requested action seeks to amend the total Council authority for these nine agreements by \$1,576,852 for amounts that have already exceeded Council's authority. This resolution also seeks to increase the agreement by a total additional amount of \$553,989 for future good/services.

Resolution 6 requests for an increase in the amount of \$544,099 for future goods and services which are estimated to reach their agreement limits before their term ending dates. These agreements will be going through a competitive bid process but a new agreement will not be in place by the time these reach their limit.

COMMITTEE RECOMMENDATION:

On December 13, 2017, the Interim City Manager and the Acting Director of Finance provided the Finance Committee with an update on the research and development of the Purchasing review.

RECOMMENDED COUNCIL ACTION:

Staff Recommendations:

Resolution approving amendments to various Annual Purchase Agreements with various vendors with revised not to exceed amounts and terms for the services stated herein and authorizing the Purchasing Manager, or her designee, to increase the identified Annual Purchase Agreements in an amount not to exceed the specific amount approved by Council.

Resolution approving amendments to various Annual Purchase Agreements with various vendors with revised not to exceed amounts for the services stated herein and authorizing the Purchasing Manager, or her designee, to increase the identified Annual Purchase Agreements in an amount not to exceed the specific amount approved by Council.

Resolution approving amendments to various Blanket Purchase Orders with various vendors with revised not to exceed amounts for the services stated herein and authorizing the Purchasing Manager, or her designee, to increase the identified Blanket Purchase Orders in an amount not to exceed the specific amount approved by Council.

Resolution approving Annual Purchase Agreements with various vendors; ratifying past expenditures; approving revised not to exceed amounts and terms for the services stated herein; and authorizing the Purchasing Manager, or her designee, to issue the identified Annual Purchase Agreements in an amount not to exceed the specific amount and terms approved by Council.

Resolution approving professional service agreements with various vendors; amending various professional service agreements; ratifying past expenditures; approving revised not to exceed amounts and terms for the services stated herein; and authorizing the Interim City Manager, or his designee, to prepare and execute the identified professional services agreements and amendments in an amount not to exceed the specific amount and terms approved by Council.

Resolution approving an increase to various Annual Purchase Agreements and Blanket Purchase Orders with various vendors with revised not to exceed amounts for the services stated herein and authorizing the Purchasing Manager, or her designee, to increase said Annual Purchase Agreements and Blanket Purchase Orders in an amount not to exceed the specific

amount approved by Council.

Approved by:

DeAnna Christensen, Acting Director of Finance

Joseph P. Lopez, Interim City Manager

Attachments:

1. Attachment A—Detailed Explanations for Resolution #1
2. Attachment B—Detailed Explanations for Resolution #2
3. Attachment C--Detailed Explanations for Resolution #3
4. Attachment D--Detailed Explanations for Resolution #4
5. Attachment E--Detailed Explanations for Resolution #5
6. Attachment F--Detailed Explanations for Resolution #6
7. Attachment G—Previous Council (9) Corrections
8. Resolutions 1 through 6
9. Report of Mr. Bob Deis