

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPROVING FINDINGS IN SUPPORT OF AN EXCEPTION TO THE COMPETITIVE BIDDING PROCESS AND APPROVING A VENDOR POOL FOR THE PURCHASE OF PHYSICAL AND ELECTRONIC MATERIALS FOR THE STOCKTON-SAN JOAQUIN COUNTY PUBLIC LIBRARY SYSTEM

The Community Services Department Library Division operates thirteen library branches on behalf of the Stockton San Joaquin Public Library System (SSJCPL). Library purchasing needs are unique; the standard purchase order procurement process does not provide the flexibility for the efficient acquisition of library materials for a budget over \$1,000,000; and

Although each purchase is below the City Manager's City Council delegated purchasing authority (section 3.68.040 of the Stockton Municipal Code), cumulative purchases may exceed that limit in any given fiscal year; and

The procurement process, as established in City of Stockton Administrative Directive CONTRACTS 25.1, requires three quotes for purchases over \$5,000, and Stockton Municipal Code 3.68.040 requires a competitive bid process for purchases to a single vendor that cumulatively total over \$75,000; and

For the vendors identified in the audit finding, vendor pricing and discount terms are the same for physical materials, those established pricing agreements include shelf-ready materials and three quotes will not result in a lower price; and

The pricing of SSJCPL electronic resources is not considered competitive because they are sole source purchases. Electronic resources are not interchangeable and cannot be purchased from a variety of vendors, obtaining three quotes for a single product is not feasible; and

An initial list of vendors, attached as Exhibit 1: Vendor Pool List and incorporated by this reference, has been created based on past demonstrated performance, ability to provide shelf-ready physical materials, and currently provide electronic resource materials; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council hereby approves the following findings in support of an exception to the competitive bidding process pursuant to Stockton Municipal Code section 3.68.070.

a. The Library materials budget is a large budget with many small individual transactions to a relatively small number of specialized and qualified vendors.

b. The individual purchase transactions of library physical and electronic materials from a single vendor are within the City Manager's purchasing authority of \$75,000 but cumulatively may exceed that limit within a fiscal year.

c. The competitive bid process will not result in cost savings to the Library because:

- i. Procurement of library materials between \$5,000 and the City Council threshold does not require three quotes because book and media pricing discounts are standard for approximately 80% of such materials.
- ii. The pricing of SSJCPL physical materials is not considered open market and competitive because the scope of services is very specific and the number of available and qualified vendors able to provide shelf-ready items to SSJCPL is few.
- iii. The purchase of electronic materials and media is a sole source purchase because products are unique, one of a kind, and specialized. Platforms and services are proprietary and not available for purchase from multiple sources.

d. The alternative vendor pool solution will provide a timely, transparent, and streamlined process for procurement of Library materials. The establishment of this new process will support the competitive opportunity to qualified vendors:

- i. An initial list of vendors has been created based on past demonstrated performance, ability to provide shelf-ready physical materials, and currently provide electronic resource materials.
- ii. Purchases will be within existing budget appropriation, subject to availability of funds, and according to vendor pool procedures.
- iii. Additional vendors can be added to the list in the future by submitting a written request proving they meet the designated criteria.
- iv. Establishment of the pre-approved vendor list does not guarantee that the City will provide such specialized work to the vendors on the list or any particular amount of work.

2. The City Council hereby approves the Library Vendor Pool, attached as Exhibit 1, for the acquisition of physical and electronic materials.

3. The City Manager or the City Manager's designee is authorized to update the vendor pool list and execute vendor agreements.

4. The City Manager is authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED June 19, 2018.

MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:

BRET HUNTER, CMC
City Clerk of the City of Stockton