

MOTION

The City has many standing contracts for the purchase of goods used by City staff, including contracts for office supplies, equipment and furniture. In general, these contracts are intended to ensure that the City gets the benefit of efficiencies of scale and therefore a lower price for goods that it frequently purchases.

However, especially in situations where such contracts are exclusive, there have been situations in which goods purchased by the City pursuant to such contracts are higher priced than identical or similar items that are advertised and freely available on the market.

The City should never pay more for goods than the price for which those goods are advertised to the public. The General Services Department, with the assistance of the City Administrative Officer and City Attorney, should report on best practices in procurement in order to ensure the City is getting the most competitive pricing on the goods it purchases, including but not limited to "most favored nation" clauses in contracts, price match guarantees in contracts, mandates that City agencies purchase goods at the lowest advertised price regardless of exclusive procurement contracts, changes to the procurement process itself to ensure the lowest available process and other potential changes in purchasing practices.

I THEREFORE MOVE that the General Services Department, with the assistance of the City Attorney and the City Administrative Officer, be directed to report on best practices in procurement and potential changes to the City's procurement and contracting practices to ensure that the City gets the best advertised price for purchased goods.

PRESENTED BY: Paul Kerkorian  
PAUL KREKORIAN  
Councilmember, 2<sup>nd</sup> District

SECONDED BY: Nityal Kana



MAY 18 2021