

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to 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.

Recommendation for Council action:

NOTE and FILE the Motion (Krekorian – Raman) relative to directing the Department of General Services (GSD), with the assistance of the City Attorney and the City Administrative Officer (CAO), 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.

Fiscal Impact Statement: Not applicable

Community Impact Statement: None submitted

SUMMARY

At its regular meeting held on February 28, 2023, your Government Operations Committee considered a Motion (Krekorian – Raman) relative to directing the GSD, with the assistance of the City Attorney and the CAO, 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.

As described in the text of the 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.

Committee members posed questions to the representatives from the GSD. After an opportunity for public comment was held, the Committee moved to note and file the recommendations in the Motion. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

GOVERNMENT OPERATIONS COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
HARRIS-DAWSON:	YES
HERNANDEZ:	YES
HUTT:	ABSENT