



## Legislation Text

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File #: 23-1515, Version: 1

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### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Approve the award of Change Order #2 to Contract 23-025-0.02, General Supplies and Equipment, to Amazon for an amount not to exceed \$13,000 and a total award of \$273,000

**DEPARTMENT:** Finance Department

**SUBMITTED BY:** Rachel Mayer, Director

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

In January 2023, the City Council approved the award of Contract 23-025, General Supplies and Equipment, to Amazon for \$250,000. The term of the contract was one year from January 17, 2023 to January 18, 2024.

During the Finance Department's end of year contract review, staff noted that the contract balance was approximately \$1,200 with a month left in the term. The average monthly spend on this contract is \$23,000. The Procurement Code allows the City Manager to approve a Change Order up to \$10,000 on a contract with an award over \$100,000 and no contingency.

While staff knew this Change Order would not cover the full anticipated spend for the last month of the contract, staff felt it was important to process a Change Order with the City Manager in December to begin to rectify the imbalance because the next City Council meeting was not until January 16, 2024.

On December 29, 2023, the City Manager approved a Change Order in the amount of \$10,000 to allow departments to continue make purchases during the last month of the contract term.

#### **DISCUSSION:**

This Change Order is requested to add \$13,000 to the existing Amazon contract to cover the remaining anticipated spend through January 18, 2024. The \$13,000 with the \$10,000 change order approved by the City Manager corresponds to the average monthly spend (December 19 - January 18).

This request is not related to the Amazon award the City Council approved at the December 5, 2023 meeting. The December 5 award was for the new term which begins on January 19, 2024.

#### **FISCAL IMPACT:**

CIP #: N/A

Items purchased from Amazon are expensed to various accounts depending on the department and the type of items being purchased. Each department maintains various supply accounts and staff monitors these accounts throughout the year to stay within budget. The change order can be accommodated within the budget.