



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Authorize the City Manager to Approve Inventory Replenishment Orders in Excess of \$5,000 for Water and Wastewater Utility Maintenance and Repair Items Purchased during July 2005

MEETING DATE: June 15, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council authorize the City Manager to approve inventory replenishment orders exceeding \$5,000 for Water and Wastewater stock items purchased during July 2005.

BACKGROUND INFORMATION: During May and June 2005, routine purchases of Water and Wastewater inventory items were deferred for budget considerations, but maintenance and repair of infrastructure continued with materials on hand and emergency purchases.

Anticipated requirements for maintenance and repair parts were generally covered with purchases in April 2005, but unexpected repairs have depleted or will deplete some stocks prior to July 1. Staff plans to replenish those inventory items as quickly as possible to prevent interruption of repair work and would prefer to be prepared in the event replenishment orders would exceed \$5,000 in value. With Council's approval, the City Manager would be authorized to approve such purchases in early July.

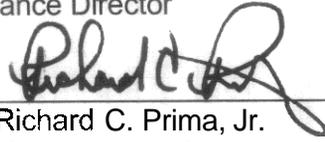
Staff expects no more than one or two such orders to be necessary, nor does staff anticipate such orders would individually exceed \$10,000.

FISCAL IMPACT: Initial cost (est. \$10,000-\$15,000), charged to 170 and 180 Inventories. Possible additional costs (expediting, emergency repairs) if purchases are delayed.

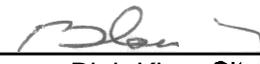
BID OPENING: Inventory shortage figures will be compiled and competitive quotes will be obtained during the last week of June for City Manger's review in July.

FUNDING AVAILABLE: Water/Wastewater Division 2005-2006 Financial Plan and Budget
(To be confirmed prior to awards)
Estimated Cost: \$10,000 - \$15,000


James R. Krueger, Finance Director


Richard C. Prima, Jr.
Public Works Director

Prepared by Joel Harris, Purchasing Officer
cc: Frank Beeler, W/WW Superintendent

APPROVED: 
Blair King, City Manager