

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.51
(ID # 3437)

MEETING DATE:

Tuesday, February 7, 2017

FROM : PURCHASING:

SUBJECT: Purchasing and Fleet Services: Approval of FY 2017/18 Rates for Supply Services, All District. [\$280,746 -Departmental Budgets 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the FY 2017/18 proposed rates for Supply Services (Attachment A);
2. Approve the waiver of Board Policy B-28 for the use of unrestricted net assets in the amount of \$50,000 for FY 17/18 for capital assets; and
3. Approve the reserve plan for capital asset replacement for FY18/19 – 21/22 (Attachment C).


ACTION: 4/5 Vote


Lisa Brandl, Director of Purchasing and Fleet Services 1/23/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Ashley
Nays: None
Absent: None
Date: February 7, 2017
xc: Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

BACKGROUND:

Summary

This submittal is for the purpose of establishing Supply Services rates for Fiscal Year 2017/18. Supply Services is maintaining current year rates; there are no rate changes for FY 17/18.

Supply Services operates as an Internal Service Fund (ISF), and recovers its operating costs through charges to customers. Supply Services strives for the lowest cost by bidding out large volume purchases to achieve the lowest cost to county departments. Contracts for primary sources of office supplies, janitorial, emergency preparedness/response, and other items are made available for countywide use.

Working with vendors, the department is transitioning to new supply and ordering models, which allows departments to order directly through the vendor's ordering portal/website for common office and equipment supplies. Departments have the option of ordering through Supply Services to meet their business needs as well as directly with vendors (with direct delivery from the vendor) through countywide contract awards implemented by Supply Services.

Additionally, Supply Services performs all surplus equipment redistribution to county departments and the auctioning of unwanted/unusable items. Over the last twelve months, Supply Services has redistributed approximately 2,151 office equipment/supplies to county departments. This function provides cost savings achieved through the reuse of supplies and equipment. Departments are encouraged to review available items on the department's intranet site before purchasing new product.

In FY17/18 the Supply Services budget has been reduced by \$334,678 for operation expenses. The 10% product markup that supports operations related to the ordering, processing, stocking of items, and the processing of returns, will remain the same. The estimated delivery charge for FY17/18 will remain the same at a not to exceed level of \$280,746. The pickup/delivery hourly service rate of \$68.25 will remain the same for requests to move equipment and for the pickup of surplus items to recover the cost of performing the service.

Supply Services is requesting the use of \$50,000 in unrestricted net assets for the replacement of equipment in FY17/18. Attachment C identifies the capital equipment purchases for FY17/18-FY21/22. Also, as a result of operating savings achieved over prior years, changes to the department's business model, and other operating reductions, the department will rebate excess unrestricted net assets in the current fiscal year. The processing of the rebate will be coordinated with the Executive Office and the Auditor Controller's Office.

Supply Services will continue to secure competitive product pricing for countywide use and repurpose surplus materials to help reduce overall costs for departments. With direct on-line

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ordering to select vendors, it is anticipated that the operations will be transforming into other functions related to warehousing, storage, and delivery services.

Attachments:

Attachment A – Proposed FY 2017/18 Rates for Supply Services

Attachment B – Estimated delivery costs per department

Attachment C – Five Year Capital Asset Plan

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ 280,746	\$ 280,746	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS:			Budget Adjustment:	No
			For Fiscal Year:	2017/18

C.E.O. RECOMMENDATION: APPROVE


Lisa Brandl, Director of Purchasing and Fleet Services 1/23/2017

Attachment A
Supply Services Rate Structure
July 1, 2017

Supply Services Rates:

	Fiscal Year 17/18	Fiscal Year 16/17
Markup Not to Exceed	10.0%	10.0%
Pickup and Delivery Service per Hour	\$ 68.25	\$ 68.25

Note: Markup on store items is not to exceed 10%.

Attachment B
Supply Services
FY17/18 Customer Charges for Delivery

Dept	Dept Name	Total Purchases for FY14/15	Percent of Purchases	FY 16/17 Delivery Charge	Total Purchases for FY15/16	Percent of Purchases	FY 17/18 Delivery Charge	Net Increase/Dcrease
10001	BOARD OF SUPERVISORS	13,879	0.16%	438	12,039	0.12%	347	(91)
10002	CLERK OF THE BOARD SUPERVISORS	2,995	0.03%	94	2,000	0.02%	58	(37)
11001	COUNTY EXECUTIVE OFFICE	3,752	0.04%	118	3,890	0.04%	112	(6)
11044	GRAND JURY	1,436	0.02%	45	1,734	0.02%	50	5
11301	HUMAN RESOURCES 1	66,236	0.74%	2,089	70,456	0.72%	2,031	(59)
11303	PERSONNEL-RIDESHARE	553	0.01%	17	277	0.00%	8	(9)
11308	WORKERS COMP DIVISION	22,886	0.26%	722	19,102	0.20%	551	(171)
11310	RISK MANAGEMENT-LIABILITY INS.	10,559	0.12%	333	15,505	0.16%	447	114
11313	SAFETY OFFICE	3,760	0.04%	119	3,565	0.04%	103	(16)
11318	HUMAN RESOURCES/TAP	7,451	0.08%	235	5,822	0.06%	168	(67)
11320	HUMAN RESOURCES EXCLUSIVE CARE	34,695	0.39%	1,094	46,377	0.48%	1,337	242
11322	HUMAN RESOURCES/EAP	4,426	0.05%	140	4,813	0.05%	139	(1)
11329	HR Occupational Hlth & Wellns	8,433	0.09%	266	10,762	0.11%	310	44
12001	ASSESSOR	36,952	0.42%	1,166	52,660	0.54%	1,518	352
12002	CLERK-RECORDER	65,126	0.73%	2,054	82,948	0.85%	2,391	336
12003	RMAP	2,139	0.02%	67	1,741	0.02%	50	(17)
12004	CREST	1,169	0.01%	37	1,245	0.01%	36	(1)
13001	AUDITOR-CONTROLLER	30,749	0.35%	970	32,157	0.33%	927	(43)
14001	TREASURER-TAX COLLECTOR	57,544	0.65%	1,815	40,518	0.42%	1,168	(647)
15001	COUNTY COUNSEL	37,163	0.42%	1,172	43,612	0.45%	1,257	85
17001	REGISTRAR OF VOTERS	42,932	0.48%	1,354	46,449	0.48%	1,339	(15)
19001	EDA 1	27,174	0.31%	857	31,983	0.33%	922	65
19002	HUD-CDBG HOME GRANTS	2,339	0.03%	74	4,667	0.05%	135	61
19003	EDA WORKFORCE DEVELOPMENT CNTR	35,445	0.40%	1,118	21,790	0.22%	628	(490)
19009	EDA RDA	-	0.00%	-	239	0.00%	7	7
19010	EDA - MARKETING	3,534	0.04%	111	7,307	0.08%	211	99
19107	EDA AVIATION UNIT	1,437	0.02%	45	2,100	0.02%	61	15
19201	NATIONAL DATE FESTIVAL	2,410	0.03%	76	2,045	0.02%	59	(17)
20001	Emergency Management Department	-	0.00%	-	24,715	0.25%	712	712
22001	DISTRICT ATTORNEY	274,368	3.08%	8,655	319,014	3.28%	9,195	540
23001	CHILD SUPPORT SERVICES	111,284	1.25%	3,510	155,922	1.60%	4,494	984
24001	PUBLIC DEFENDER	77,004	0.87%	2,429	100,232	1.03%	2,889	460
25001	SHERIFF'S DEPT 3	33,620	0.38%	1,061	46,416	0.48%	1,338	277
25002	SHERIFF INFORMATION SERVICES	118,197	1.33%	3,728	131,557	1.35%	3,792	63
25003	SHERIFF'S DEPT 2	556,458	6.25%	17,553	623,024	6.40%	17,957	405
25004	SHERIFF-CORRECTIONS	617,016	6.93%	19,463	657,646	6.75%	18,955	(508)
25005	SHERIFF-COURT SERVICES	39,654	0.45%	1,251	50,605	0.52%	1,459	208
25006	SHERIFF'S DEPT 1	387	0.00%	12	642	0.01%	18	6
25007	SHERIFF - CTC	36,781	0.41%	1,160	51,115	0.52%	1,473	313
25010	CORONER	13,319	0.15%	420	19,737	0.20%	569	149
25011	Public Administrator	9,963	0.11%	314	6,606	0.07%	190	(124)
25051	SHERIFF-CAL ID	17,091	0.19%	539	18,029	0.19%	520	(19)
26001	PROBATION	124,916	1.40%	3,940	160,844	1.65%	4,636	696
26002	PROBATION- 1	227,073	2.55%	7,163	261,799	2.69%	7,546	383
26007	PROBATION DEPARTMENT	62,886	0.71%	1,984	93,498	0.96%	2,695	711
27002	FIRE DEPARTMENT 1	427,186	4.80%	13,475	424,496	4.36%	12,235	(1,240)
27004	FIRE DEPARTMENT 2	2,983	0.03%	94	3,081	0.03%	89	(5)
28001	AGRICULTURAL COMMISSION	15,866	0.18%	500	14,392	0.15%	415	(86)
31002	TLMA 1	10,848	0.12%	342	27,910	0.29%	804	462
31003	TLMA 2	4,783	0.05%	151	19,556	0.20%	564	413
31101	BUILDING AND SAFETY	3,620	0.04%	114	9,579	0.10%	276	162
31201	PLANNING	5,833	0.07%	184	13,379	0.14%	386	202
31301	TRANSPORTATION DEPT 4	54,410	0.61%	1,716	86,749	0.89%	2,500	784
31302	TRANSPORTATION DEPT 1	3,259	0.04%	103	11,900	0.12%	343	240
31307	TRANSPORTATION DEPT 3	1,590	0.02%	50	2,303	0.02%	66	16
31308	ALUC	468	0.01%	15	659	0.01%	19	4
31401	TLMA Code Enforcement	11,573	0.13%	365	43,294	0.44%	1,248	883
41001	RUHS BEHAVIORAL HEALTH-PUBLIC GUARD	19,790	0.22%	624	22,650	0.23%	653	29
41002	RUHS BEHAVIORAL HEALTH-TREATMENT PROG.	697,812	7.84%	22,012	667,025	6.85%	19,226	(2,786)
41003	RUHS BEHAVIORAL HEALTH-DETENTION	34,469	0.39%	1,087	47,957	0.49%	1,382	295
41004	RUHS BEHAVIORAL HEALTH-ADMINISTRATION	177,171	1.99%	5,589	179,514	1.84%	5,174	(415)
41005	RUHS BEHAVIORAL HEALTH-SUBSTANCE ABUSE	92,852	1.04%	2,929	114,085	1.17%	3,288	359
42001	RUHS PUBLIC HEALTH 1	305,794	3.44%	9,646	267,473	2.75%	7,709	(1,937)
42002	RUHS PUBLIC HEALTH 2	81,412	0.91%	2,568	50,068	0.51%	1,443	(1,125)
42004	Environmental Health	40,394	0.45%	1,274	47,281	0.49%	1,363	89
42006	Animal Services	76,249	0.86%	2,405	81,688	0.84%	2,355	(51)
42007	RUHS FQHC Care Clinics	160,355	1.80%	5,058	184,403	1.89%	5,315	257
43001	Riverside University Health System	481,795	5.41%	15,198	494,689	5.08%	14,258	(939)
43002	MEDICAL INDIGENT	4,218	0.05%	133	6,197	0.06%	179	46
43003	RUHS DETENTION HEALTH	19,078	0.21%	602	36,735	0.38%	1,059	457
45001	Riverside County Dept of Waste Resources	27,998	0.31%	883	40,100	0.41%	1,156	273
51001	DPSS	2,399,366	26.96%	75,686	2,644,817	27.15%	76,232	546
51006	DPSS HOMELESS	2,783	0.03%	88	1,617	0.02%	47	(41)
52001	COMMUNITY ACTION 1	22,784	0.26%	719	37,911	0.39%	1,093	374
52002	COMMUNITY ACTION 2	16,990	0.19%	536	14,603	0.15%	421	(115)
52003	COMMUNITY ACTION 3	10,478	0.12%	331	1,170	0.01%	34	(297)

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Supply Services
FY17/18 Customer Charges for Delivery

Dept	Dept Name	Total Purchases for FY14/15	Percent of Purchases	FY 16/17 Delivery Charge	Total Purchases for FY15/16	Percent of Purchases	FY 17/18 Delivery Charge	Net Increase/D decrease
53001	OFFICE ON AGING	68,382	0.77%	2,157	71,599	0.74%	2,064	(93)
54001	VETERANS SERVICES	14,046	0.16%	443	17,455	0.18%	503	60
63001	COOPERATIVE EXT.	13,509	0.15%	426	10,291	0.11%	297	(130)
72001	FACILITIES MANAGEMENT 72001	337,052	3.79%	10,632	381,238	3.91%	10,988	356
72002	FACILITIES MANAGEMENT 72002	4,897	0.06%	154	3,731	0.04%	108	(47)
72003	FACILITIES MANAGEMENT 72003	16,606	0.19%	524	18,603	0.19%	536	12
72004	FACILITIES MANAGEMENT 72004	12,574	0.14%	397	14,953	0.15%	431	34
72005	FACILITIES MANAGEMENT 72005	7,342	0.08%	232	7,290	0.07%	210	(21)
72006	FACILITIES MANAGEMENT 72006	367	0.00%	12	973	0.01%	28	16
72007	FACILITIES MANAGEMENT 72007	2,379	0.03%	75	4,976	0.05%	143	68
72008	Facilities Management 72008	-	0.00%	-	588	0.01%	17	17
73001	PURCHASING 1	6,647	0.07%	210	6,574	0.07%	189	(20)
73003	PRINTING SERVICES 1	151,424	1.70%	4,777	101,298	1.04%	2,920	(1,857)
73005	FLEET SERVICES	8,987	0.10%	283	9,780	0.10%	282	(2)
73006	Central Mail Services	1,677	0.02%	53	1,949	0.02%	56	3
74001	INFORMATION TECHNOLOGY 1	22,192	0.25%	700	21,414	0.22%	617	(83)
74006	RCIT Support Services	-	0.00%	-	7,208	0.07%	208	208
915202	CSA- ADMIN	3,024	0.03%	95	2,163	0.02%	62	(33)
931104	REGIONAL PARKS DISTRICT 2	1,049	0.01%	33	75	0.00%	2	(31)
931116	PARKS - MSR-MWD MULTI-SPECIES RESERVE	-	-	-	141	0.00%	4	4
931119	PARKS DISTRICT 3 - INTERPRETIVE SITES	8,720	0.10%	275	10,407	0.11%	300	25
931155	PARKS DISTRICT	7,754	0.09%	245	-	-	-	(245)
931156	COMMUNITY CENTERS	2,392	0.03%	75	7,887	0.08%	227	152
931170	PARK DISTRICT - HABITAT & OPEN SPACE MGMT	2,312	0.03%	73	2,558	0.03%	74	1
931180	PARK DISTRICT-RECREATION - GENERAL	630	0.01%	20	649	0.01%	19	(1)
931181	PARK DISTRICT - THE GOPHER HOLE	144	0.00%	5	915	0.01%	26	22
931183	PARKS DISTRICT - RESERVATIONS	646	0.01%	20	405	0.00%	12	(9)
931184	PARKS DISTRICT - COVE - GENERAL	321	0.00%	10	766	0.01%	22	12
931186	Regional Parks - JURUPA SPORTS COMPLEX	9,470	0.11%	299	8,130	0.08%	234	(64)
931187	PARKS DISTRICT - COVE - COMP POOL	1,299	0.01%	41	179	0.00%	5	(36)
931188	PARKS DISTRICT - COVE - WATERPARK	4,140	0.05%	131	2,990	0.03%	86	(44)
931190	PARKS DISTRICT - JURUPA AQUATIC CENTER	1,109	0.01%	35	105	0.00%	3	(32)
931200	REGIONAL PARK DISTRICT 1	3,842	0.04%	121	-	-	-	(121)
931210	PARKS - PLANNING	1,286	0.01%	41	-	-	-	(41)
931220	Regional Parks District 3 - EXECUTIVE ADMIN	848	0.01%	27	197	0.00%	6	(21)
931235	Regional Parks - BUSINESS OPERATIONS	13,619	0.15%	430	12,259	0.13%	353	(76)
931240	Regional Parks - FINANCE	3,257	0.04%	103	877	0.01%	25	(77)
931250	Regional Parks - HUMAN RESOURCES	376	0.00%	12	1,072	0.01%	31	19
931255	Regional Parks - INFORMATION TECHNOLOGY	-	-	-	186	0.00%	5	5
931265	PARK DISTRICT - VOLUNTEER MANAGEMENT	168	0.00%	5	136	0.00%	4	(1)
931400	REGIONAL PARKS DISTRICT 4	48,520	0.55%	1,531	46,523	0.48%	1,341	(190)
931401	PARKS DISTRICT - WEDDINGS & EVENTS	1,816	0.02%	57	4,017	0.04%	116	59
931710	PARKS DISTRICT - HIDDEN VALLEY NATURE CENT	4,520	0.05%	143	3,554	0.04%	102	(40)
935001	Habitat Conservation Agency	1,339	0.02%	42	903	0.01%	26	(16)
935201	WRC-Regional Conservation	1,957	0.02%	62	2,073	0.02%	60	(2)
935320	WDC-RCA	1,849	0.02%	58	407	0.00%	12	(47)
938002	FIRST FIVE - RCCFC-Admin	11,030	0.12%	348	16,135	0.17%	465	117
938004	FIRST FIVE - RCCFC - PROGRAM	203	0.00%	6	449	0.00%	13	7
946001	SALTON SEA AUTHORITY	1,262	0.01%	40	-	-	-	(40)
947200	FLOOD CONTROL 3	168	0.00%	5	129	0.00%	4	(2)
985101	Public Authority Admin	9,642	0.11%	304	20,132	0.21%	580	276
194	CANYON LAKE P.O.A.	67	0.00%	2	83	0.00%	2	0
240	CITY OF INDI0 1	-	-	-	7,277	0.07%	210	210
317	VALLEY-WIDE REC & PARK DIST.	2,671	0.03%	84	860	0.01%	25	(59)
638	SHERIFF'S STATION	16,750	0.19%	528	16,381	0.17%	472	(56)
720	RIV.CO.TRANSPORTATION COMM.	644	0.01%	20	-	-	-	(20)
780	Western Riverside Council of Gov't 2	1,800	0.02%	57	2,889	0.03%	83	26
Total		\$ 8,900,116	100.00%	\$ 280,746	\$ 9,740,312	100.00%	\$ 280,746	\$ 0

Notes:

- 1 Delivery charges for FY17/18 are based on percentages of office and janitorial product sales in FY15/16.
- 2 Delivery charges for FY16/17 are based on percentages of office and janitorial product sales in FY14/15.

Attachment C
Supply Services
Five-Year Capital Equipment Needs/Reserve Plan

	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	Total 5 Years
Supply Services	Estimated Cost	Estimated Cost	Estimated Cost	Estimated Cost	Estimated Cost	
Forklift - 4000 lb - Warehouse	\$25,000					\$25,000
Industrial Fans	\$25,000					\$25,000
Forklift - 4000 lb - Surplus		\$25,000				\$25,000
Box Truck		\$85,000				\$85,000
Server Replacement - Four Servers		\$36,000				\$36,000
	\$50,000	\$146,000	\$0	\$0	\$0	\$196,000