Council Meeting of
June 20, 2006

Honorable Mayor and Members
of the City Council
City Hall
Torrance, CA

Members of the Council:

SUBJECT: Recommendation to approve a Purchase Order with O.C. Tanner in the amount of $38,000 for the purchase of employee service awards for FY 2006-2007.

Expenditure: Not to exceed $38,000

RECOMMENDATION

The Human Resources Director recommends that the City Council approve a Purchase Order with O.C. Tanner for an amount not to exceed $38,000 for the purchase of employee service awards during the fiscal year 2006-2007.

Funding

Funding is available in the Human Resources operating budget.

BACKGROUND

The Service Award Program is a vehicle to recognize employees for their valued service to the City and the role they play in the delivery of services to the community. Employees receive an award for their tenure beginning with the fifth year of service and at every five years of their career thereafter. The current Purchase Order with O.C. Tanner, which will expire June 30, 2006, was recently adjusted to reflect a higher number of awards than in the past, and the recommended P.O. is returned to a lower dollar amount for the upcoming fiscal year.

ANALYSIS

The current vendor, O.C. Tanner, has been providing the City with excellent service and quality products. O.C. Tanner delivers a broad package of unique services which allows staff to administer the entire program via the Internet. Features of the program and services provided by the vendor include:

- Personalized award brochures and web page design and maintenance.
- Online access to individual orders, billing and shipping information.
- Timely delivery of award items to coincide with an employee's anniversary date.

- A 100% satisfaction guarantee on all award items.

Due to the unique service provided by O.C. Tanner this request is made with reference to TMC, Section 22.3.17, regarding sole source purchases (Attachment 1). Approval of the Purchase Order will cover the costs of awards to recognize employees during Fiscal Year 2006 - 2007.

Respectfully submitted,

ELAINE M. WINER
Human Resources Director

By Robert Weinmeister
Senior Human Resources Analyst

CONCUR:

LeRoy J. Jackson
City Manager

Elaine M. Winer
Human Resources Director

Attachment:
1. Torrance Municipal Code, Section 22.3.17, Sole-Source Purchases

ATTACHMENT 1

TORRANCE MUNICIPAL CODE - SECTION 22.3.17. EXCEPTION; SOLE-SOURCE PURCHASES.

a) The provisions of this Article will not apply to purchases of sole-source services or property, which purchases will be made in accordance with such procedures and regulations as will be established by the City Manager.

b) For purposes of this Section, "sole-source purchases" means those purchases where it would be undesirable or impossible for the City to advertise for bids for particular work or for patented items, or experimental or unique services or products, or where competitive purchases would be unavailable or would not prove advantageous for the City. No sole-source purchases may be made where to do so would show favoritism, improvidence, extravagance, fraud or corruption, or result in the waste of public funds, but may be used only to obtain the best economic result for the public.