

MEMORANDUM

TO: Board of Trustees

THROUGH: Bobby Magee, District General Manager

FROM: Adam Cripps, Assistant Director of Finance

SUBJECT: Authorization to Increase and Transact Under Existing Blanket Purchase Order for Fiscal Year 2023/24, Pursuant to NRS 332.115 and Board Policy 21.1.0 for Vendor US Foodservice, Inc., in the Amount of \$80,000 for an Updated Amount Not to Exceed \$559,500.

RELATED FY 2023 STRATEGIC PLAN BUDGET INITIATIVE(S):

LONG RANGE PRINCIPLE #3 - FINANCE The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for internal controls, operating budgets, fund balances, capital improvement and debt management.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Purchasing Policy for Goods and Services (21.1.0)

DATE: April 24, 2024

I. RECOMMENDATION

That the Board of Trustees approve an increase to the fiscal year 2023/24 blanket purchase order for the following vendor: US Foodservice, Inc., in the amount of \$80,000 for an updated total not-to-exceed \$559,500.

II. BACKGROUND

June 28, 2023, Item F.2, the Board granted staff the authority to transact under blanket purchase orders under NRS 332.115 and Board Policy 21.1.0. At this time, the purchase order for US Foodservice, Inc. is approaching the originally set not-to-exceed limit of \$479,500. This is due to the unforeseen increase in the cost of goods. There is available budget to support the change order increase of \$80,000 in order to update the not-to-exceed limit to \$559,500.

III. FINANCIAL IMPACT AND BUDGET

There is no impact to the fiscal year 2023/24 budget.

IV. ALTERNATIVES

Without approval to increase the purchase order, the current not-to-exceed limit will likely be met within the next few weeks, resulting in staff no longer having the authority to continue to purchase goods from US Foodservice, Inc., which is one of the largest sources used by the Food and Beverage staff in order to continue operations.