

1000.12 SUBJECT: PURCHASING LEAD TIME BULLETIN**:1 OBJECTIVE:**

To advise City units of administrative lead times on all purchases, and to establish the need for all City units to anticipate their needs based on the time required to requisition, purchase and receive goods.

:2 AUTHORITY:

This procedure amended by City Council October 16, 2006.

:3 DIRECTION:

The Director of Purchasing and Materials Management, as an appointed official, serves at the pleasure of, and receives direction from the Mayor through the General Administration Department Director.

:4 METHOD OF OPERATION:**A. Definition**

"Lead Time" is the time required between the receipt of the requisition by Purchasing and Materials Management and the receipt of the supplies, materials and equipment by the requisitioning department. Lead time consists of two (2) main categories: administrative lead time and delivery lead time. Lead time is affected by:

1. Preparation of specifications and departmental approval.
2. Advertising for bids.
3. Evaluation of bids by using departments and Purchasing and Materials Management.
4. Approval of awards by the City Council.
5. Requests for special equipment in lieu of off-the-shelf equipment.
6. Requests for equipment having seasonal demands.
7. The current level of business which affects delivery time.
8. Actual manufacturing time if not in inventory.

B. General Information

1. The following administrative lead times are required for processing annual contracts and complex and/or highly technical requests for proposals and invitations for bids:

Requests for bid/specifications Development	15-20 days
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Bid advertising/Pre-bid conference/opening	30 days
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Most formal solicitations are on the street for 30 days.

Technical evaluation by using department/bid award	15 days
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Over \$50,000-City Council approval	15 days
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2. Another method of determining administrative lead time is size of purchase:

Up to \$500.00	2 days
\$501 to \$10,000	5 days
\$10,001 to \$25,000	30-45 days
\$50,000 and over	60-75 days

3. These above periods of time are only until the agreement is executed or the purchase order is issued. The vendor's time for manufacturer's assembly and delivery must be then added to the above noted administrative time. This could be from one (1) day up to two (2) years for some of the more specialized pieces of equipment (i.e. fire apparatus). Purchasing has additional information available (see attached sample) for leadtimes by commodity grouping upon request.

:5 FORMS:
None.

:6 COMMITTEE RESPONSIBILITIES:
None.

:7 REFERENCE:
Chapter 7 of the City Code. This procedure approved by City Council on March 3, 1986, Item 9, A-19; amended August 15, 1988, Item 14, A-13; amended July 26, 1993, Item SS; amended May 1, 1995, Item GG; amended April 17, 2000, Item 3-D; policy section # changed from 191.12, April 2004; amended October 16, 2006, Item A-14.

:8 EFFECTIVE DATE:
This procedure effective October 16, 2006.