



DATE: March 14, 2012
TO: Honorable Mayor and City Councilmembers
FROM: Public Works Department
SUBJECT: **APPROVAL TO INCREASE AN EXISTING PURCHASE ORDER**

SYNOPSIS

Staff recommends that the City Council approve an increase in the amount of \$23,000 to an existing purchase order with Parkhouse Tire of Escondido, totaling \$70,000 for the purchase of tires, and authorize the Financial Services Director to execute the purchase order.

BACKGROUND

Each fiscal year, the Public Works Department estimates the quantity of equipment, supplies, services and materials that will be needed for recurring maintenance, repairs, and operations during the fiscal year. At the beginning of FY 2011-2012, staff procured a purchase order with Parkhouse Tire for \$47,000 to purchase tires. Fleet recently had to purchase tires for several large vehicles including heavy construction equipment and fire apparatus which was unexpected. The purchase order needs to be increased to \$70,000 which requires City Council approval. Last year, staff spent \$56,000 with Parkhouse Tire.

ANALYSIS

Staff solicited three (3) bids for tires in FY 2011-2012 in accordance with the City's Procurement of Goods and Services Directive, and Parkhouse Tire submitted the lowest bid.

FISCAL IMPACT

The additional \$23,000 will be funded by allocating \$15,000 from the Fleet Inventory Fund (Account No. 831.1300.0003) and \$8,000 from the Fleet Maintenance Fund (Account No. 620608831.5320.0001).

INSURANCE REQUIREMENTS

Does not apply

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

Purchases should be made according to the procedures set forth in Chapter 28A of the City Code.

RECOMMENDATION

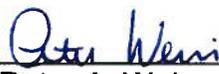
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