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DATE: December 3, 2014

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Division

SUBJECT: **APPROVAL TO INCREASE AN EXISTING PURCHASE ORDER**

### **SYNOPSIS**

Staff recommends that the City Council approve an increase in the amount of \$135,000 to an existing purchase order issued in the amount of \$49,500 to Ray White Cement of Fallbrook, totaling \$184,500 for citywide concrete repair work; and authorize the Financial Services Director, or designee, to execute the purchase order.

### **BACKGROUND**

Each fiscal year, the Public Works Division 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 2014-15, staff procured a purchase order with Ray White Cement for \$49,500 for citywide concrete repair work. The street maintenance program currently uses five contractors to perform this work and one contractor was unable to fulfill their assigned work orders which was unexpected. The balance of an existing purchase order will be transferred to Ray White Cement which will bring their awarded amount in line with other contractors performing citywide concrete repair work. Ray White Cement is relatively new to performing City projects and was originally given a smaller purchase order than other contractors but has done an excellent job.

### **ANALYSIS**

Staff previously solicited bids for citywide concrete repair work in accordance with the City's Procurement of Goods and Services Directive. The remaining work orders and balance of an existing purchase order previously given to another contractor will be transferred to Ray White Cement.

### **FISCAL IMPACT**

The remaining \$135,000 purchase order will be cancelled and an increase of the same amount will be added to the existing purchase order for Ray White Cement. This will be funded from the Street and Median Maintenance Account (600619213.5320.0014) which comes from Gas Tax.

**INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be met.

**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**

Staff recommends that the City Council approve an increase in the amount of \$135,000 to an existing purchase order issued in the amount of \$49,500 to Ray White Cement of Fallbrook, totaling \$184,500 for citywide concrete repair work; and authorize the Financial Services Director, or designee, to execute the purchase order.

PREPARED BY:

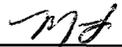
  
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Kiel Koger  
Public Works Division Manager

SUBMITTED BY:

  
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Steven R. Jepsen  
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Assistant City Manager

  
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James Riley, Financial Services Director

  
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