

Council Meeting of
June 10, 2008

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

Members of the Council:

SUBJECT: General Services – Approve amendment to existing Purchasing Agreement for automotive repair parts and supplies, increasing by \$15,000.00 for a total not to exceed expenditure of \$65,000.00.

Expenditure: Not To Exceed: \$15,000.00 (includes tax)

RECOMMENDATION

The General Services Director recommends that City Council authorize an amendment to an existing Purchasing Agreement with Peerless Auto Parts of Torrance, CA, in an amount not to exceed \$15,000.00, for a total not to exceed expenditure of \$65,000.00, for the purchase of automotive repair parts and supplies. The purchasing agreement was for a period of one year and is due to expire October 5, 2008.

Funding

Funding for the purchase of automotive parts and supplies is available in the Fleet Services FY 2007-08 and FY 2008-09 Operating Budgets (Warehouse Inventory Account).

BACKGROUND/ANALYSIS

On September 11, 2007, the City Council approved a purchasing agreement with Peerless Auto Parts of Torrance in the amount of \$50,000.00 to purchase automotive repair parts and supplies on an “as needed” basis. Peerless Auto Parts has proven to be an invaluable, reliable and responsive source of supply for many much needed items, including but not limited to, regular stock, hard-to-find or discontinued automotive parts for our older vehicles and supplies in addition to consistently providing the City with fair prices and excellent customer service.

Due to dramatic increases in the cost of fuel, many of our vendors have been forced to raise prices in order to offset their own costs for transportation and parts price increases from their own suppliers. Because of these unanticipated increases, it is inevitable that staff will experience a shortfall in funding necessary to support the Purchasing Agreement with Peerless Auto Parts to its expiration date of October 05, 2008.

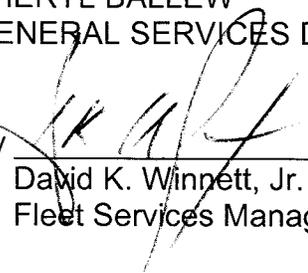
The Torrance Municipal Code SECTION 22.3.16. EXCEPTION; REPAIRS, states:

“The provisions of this Article will not apply to the purchase of parts or service for repairs upon City equipment, which purchases will be made in accordance with such procedures and regulations as will be established by the City Manager.”

In summary, staff is recommending that the City Council approve an amendment to the existing Purchasing Agreement with Peerless Auto Parts, increasing the total expenditure to \$65,000.00 in order to support the automotive stock, hard to find or discontinued repair parts and supplies required for the City's fleet of passenger vehicles and light trucks.

Respectfully submitted,

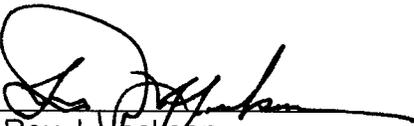
SHERYL BALLEW
GENERAL SERVICES DIRECTOR

By 

David K. Winnett, Jr.
Fleet Services Manager

CONCUR:


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager