

CITY COUNCIL

For City Clerk's Use:

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APPROVED

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DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 5

Date: August 24, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Jerry Van Leeuwen, Director of Community Services
Richard O'Donnell, Deputy Director of Maintenance and Operations

SUBJECT: Award Purchase of Fuel Contract

RECOMMENDATION:

Staff recommends Council approve the purchase of unleaded fuel for the City of Escondido's fleet through a cooperative purchase agreement with the City of San Diego, pursuant to Escondido Municipal Code section 10-90. This fuel will be purchased from The SOCO Group Inc.

FISCAL ANALYSIS:

Sufficient funds have already been approved in the fiscal year 2011-12 budget in account number 5111-653-715 for unleaded fuel in the amount of \$880,000. Staff is requesting the amount of \$260,000 be used for the purchase of unleaded fuel until the City of San Diego contract expires on October 24, 2011.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

Not Applicable

PREVIOUS ACTION:

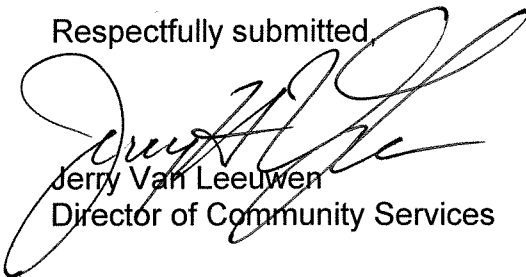
No previous Council action regarding this purchase

BACKGROUND:

Fleet Services intends to continue purchasing unleaded fuel from The SOCO Group Inc. through a cooperative purchase agreement with the City of San Diego and other public agencies throughout the county. The contract expires in October, 2011. This is the continuation of a previously executed contract. However, Council action is required because of the start of a new fiscal year and the purchasing policies of the City whereby contracts over \$100,000.00 require approval by the City Council. Fleet Services Division will use funds budgeted in account 5111-653-715 for FY year 2011-12.

When the current purchasing agreement expires with SOCO on October 24, 2011, staff will return with a request to either outsource fueling services or to participate in another fuel purchase contract with cities of the region.

Respectfully submitted,



Jerry Van Leeuwen
Director of Community Services

R.O.
by Jerry V.L.
Richard O'Donnell
Deputy Director of Maintenance and Operations