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DEPARTMENT OF  
GENERAL SERVICES  
  
OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO  
CALIFORNIA  
June 9, 1992  
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DIVISIONS:

COMMUNICATIONS  
FACILITY MANAGEMENT  
FLEET MANAGEMENT  
PROCUREMENT SERVICES

City Council  
Sacramento, California

APPROVED  
BY THE CITY COUNCIL

JUN 09 1992

OFFICE OF THE  
CITY CLERK

Honorable Members In Session:

**SUBJECT: RECOMMENDATION FOR INCREASE IN CONTRACT AWARD AMOUNT  
FOR BID NO. 1404, ROAD SERVICES AND TOWING, FROM \$35,000.00 TO  
\$45,000.00**

LOCATION AND COUNCIL DISTRICT

City-wide - All Districts

SUMMARY

The Fleet Management Division of the Department of General Services is requesting an increase in the contract award amount for Bid No. 1404, Road Services and Towing, from \$35,000.00 to \$45,000.00.

RECOMMENDATION

It is recommended that, in the City's best interest, the City Council approve the increase in contract award amount as follows:

<u>Bid No. 1404</u>	<u>Bidder</u>	<u>Contract Items Awarded</u>	<u>New Contract Amount</u>
Road Services and Towing (Increase)	Terry Arnold's Towing 1429 Auburn Blvd. Sacramento, CA 95815	All	\$45,000.00

BACKGROUND

On July 10, 1990, City Council awarded formal competitive Bid No. 1404 for road services and towing to Terry Arnold's Towing in an amount not to exceed \$35,000.00 each contract year. The City has exercised its extension options as detailed in the bid specifications and is currently in the second year of this potential three year contract. In order to maximize Fleet Service Workers' time in performing preventive maintenance servicing and equipment repairs, Fleet Management has elected to increase its usage of the outside tow service contract with Terry Arnold's Towing and utilize its own internal tow capabilities less, necessitating this recommendation to increase the contract amount by \$10,000.00 to \$45,000.00.

FINANCIAL CONSIDERATIONS

Sufficient funds have been budgeted by Fleet Management in fund line 420-190-1949-4241 for maintenance and repair.

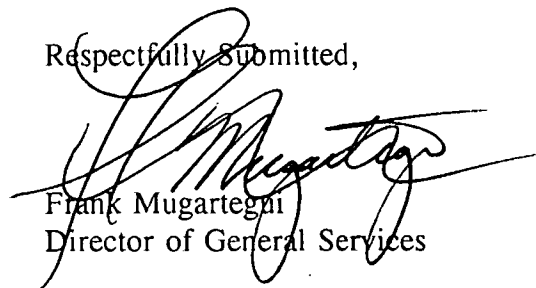
POLICY CONSIDERATIONS

This recommendation is consistent with the requirements for competitive bidding as detailed in Chapter 57 of the Sacramento City Code.

MBE/WBE

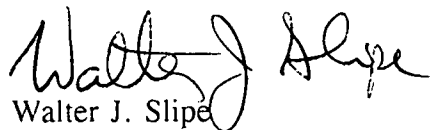
Terry Arnold's Towing is not a M/WBE vendor. Of the eleven bids originally solicited, three were sent to M/WBE firms.

Respectfully Submitted,



Frank Mugartegui  
Director of General Services

Recommendation Approved



Walter J. Slipe  
City Manager

Contact for More Information:  
Steve Alstrom, Buyer II, 433-6240

For Council Agenda of:  
June 9, 1992