



Staff Report

TO: City Council
FROM: Jennifer Ustation, Finance Director
DATE: August 20, 2024
SUBJECT: Approve Purchase Order Change Order for the County of Riverside Fire Department in the Amount of \$440,444

Description Change order in the amount of \$440,444 for Fire Services.

Background and Analysis:

On June 20, 2023, the City Council approved the requisition list for the FY2023-2024 budget. At this time, the requisition for the fire services contract provided by the County of Riverside Fire Department was approved in the amount of \$4,606,236. The budget for the Fiscal Year included an amount for new staffing at Fire Station 106 in the amount of \$6,514,192, however, the requisition was entered at the previous staffing level.

The County of Riverside Fire Department has provided City staff with an estimate for the FY2023-2024 4th quarter invoice. It has been determined that the current purchase order doesn't have enough funds available to cover the 4th quarter cost estimate and needs to be increased prior to paying the invoice. Below is a summary of what has been paid to date:

Purchase Order 23/241589	\$4,606,236.00
1 st Quarter Invoice	(\$1,207,200.75)
2 nd Quarter Invoice	(\$1,373,057.77)
3 rd Quarter Invoice	<u>(\$1,173,893.44)</u>
Remaining Balance	\$852,084.04

It is recommended to increase the purchase order with a contingency of \$50,000 as in previous years the invoice has come out to more than the estimate. For instance, the FY 2022-2023 4th quarter estimate was \$1,299,174.62 and the invoice was \$1,334,825.62.

Fiscal Impact:

The amount of the PO change increase has been included in the FY2023-2024 Fire budget GL 100-2100-7068-0000. The estimated cost to prepare this report is \$150.

Recommended Action:

Approve purchase order change order for the County of Riverside Fire Department in the amount of \$440,444.

Attachments:

- A. Riverside County Fire Department 4th Quarter Estimate