

To: City Council
From: Steven Purchase, Fleet Manager
Date: August 18, 2026
Subject: Resolution Authorizing an Increase to the Blanket Purchase Order with O'Reilly Auto Parts

Historical Background

Fleet Services currently utilizes a blanket purchase order with O'Reilly Auto Parts to procure repair parts for the City's fleet of vehicles and equipment. O'Reilly Auto Parts is a local vendor that provides same-day delivery on most parts ordered through its online ordering system, minimizing vehicle downtime and allowing repairs to be completed efficiently.

The current blanket purchase order for Fiscal Year 2026 was established in the amount of **\$98,919** and covers purchases from **October 1, 2025, through September 30, 2026**. Due to increased demand for repair parts, approximately **\$7,500** remains available for the final two months of the fiscal year. Fleet Services averages approximately **\$11,000** per month in purchases from this vendor, making the remaining balance insufficient to meet operational needs through the end of the budget year.

The City's fleet has continued to grow over the past several years, and Fleet Services has increased the amount of maintenance and repairs completed in-house rather than outsourcing repairs. This approach has resulted in significant cost savings for the city while improving turnaround times and equipment availability.

Action Requested

Consider a resolution approving the increase of the blanket purchase order with O'Reilly Auto Parts by **\$14,000**, for a total authorized amount of **\$112,919**. This increase will allow for the continued purchase of repair parts through the remainder of the fiscal year ending September 30, 2026.

Procurement Methodology & Funding Source

Funding for this increase is available within the approved Fleet Services operating budget for repair parts. O'Reilly Auto Parts continues to provide competitive pricing, immediate local availability, and same-day delivery, allowing Fleet Services to minimize equipment downtime and reduce the need for more costly outside repair services.

Staff Recommendation

Staff have reviewed current expenditures and projected repair part requirements through the end of FY26. Based on current spending trends and the continued increase in in-house repairs, staff recommends approval of a **\$14,000 increase** to the existing blanket purchase order with O'Reilly Auto Parts, increasing the total purchase order value to **\$112,919**.

