

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors
FROM: David Seward, Purchasing Manager
DATE: June 13, 2006
SUBJECT: Recommendation to Increase BP009986 with Ray Morgan Company for Overage Costs on a High-Speed Copier Rental in the Maximum Amount of \$16,500.00

ACTION REQUESTED

Approve Change Order No. 1 to BP009986 with Ray Morgan Company of Chico, CA in the maximum amount of \$16,500.00, for overage costs on a high-speed copier rental, and authorize the Purchasing Manager to sign the resulting change order.

BACKGROUND

On February 5, 2002, your Board approved award of Bid No. 8905 to Ray Morgan Company in the maximum amount of \$59,643.66 to secure a five year rental agreement for a high-speed copier to be used by the Central Services Division. The contract amount was based on a cost per copy of \$0.01799 at a guaranteed minimum copy volume of 50,000 copies, and included a 5 percent annual copy volume growth. However, actual usage, driven by County-wide departmental printing requirements, has exceeded anticipated copy volume growth, thus requiring that additional funds be added to the BPO to continue operations until the end of the contract period.

This request will add \$16,500.00 for a new maximum contract amount of \$76,143.66. The increase exceeds 10 percent of the original Board of Supervisors approved contract amount and thus requires your Board's approval in accordance with the Purchasing Policy Manual, Paragraph 2.1(g).

FISCAL IMPACT

The Central Services Division charges back their customer departments for copies made. Customer departments budget appropriately for this expense.

cc: Clark Moots, Director, Administrative Services Department
Candi McCord, Deputy Director, Administrative Services Department
Leslie Blagg, Central Services Manager

