

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

TO: Honorable Board of Supervisors **Revision 1**

FROM: David Seward, Purchasing Manager

DATE: February 20, 2007

SUBJECT: Approve Change Order No. 1 to Blanket Purchase Order No. 13935 with Ferguson Family Enterprises, Inc. Doing Business As Gray Electric Co., Inc., for Traffic Signal Maintenance and Repair in the Amount of \$40,000.00

ACTION REQUESTED

Approve Change Order No. 1 to Blanket Purchase Order (BPO) No. 13935 with Ferguson Family Enterprises, Inc. dba Gray Electric Co., Inc. of Grass Valley, CA, for traffic signal maintenance and repair, and authorize the Purchasing Manager to sign the amended blanket purchase order in the amount of \$40,000.00.

BACKGROUND

As a result of competitive Bid No. 9585, a Blanket Purchase Order was issued on July 11, 2006 to Ferguson Family Enterprises, Inc. dba Gray Electric Co., Inc. of Grass Valley, CA, for traffic signal maintenance and repair in the maximum amount of \$75,000.00. This estimated annual amount was based on past purchase history and anticipated future service needs.

BPO No. 13935 expires on June 30, 2007. The Department of Public Works estimates that they will need another \$40,000.00 to handle the increase in maintenance service requests that have occurred throughout the contract period that were beyond the control of the Department. The revised blanket purchase order will be in the maximum amount of \$115,000.00. The \$40,000.00 increase exceeds the Purchasing Manager's authority and requires your Board's approval under Purchasing Policy Manual, Paragraph 2.1(g).

FISCAL IMPACT

The original BPO amount was based on estimated needs for emergency and unanticipated maintenance work. The Department included a separate maintenance project in its 06/07 Road Construction budget (PC2886 – "Douglas Boulevard Signal Maintenance"); therefore, funding is available to cover the cost of this requested increase.

cc: Kevin Taber, Public Works Manager – Road Maintenance
Cynthia Taylor, Public Works Manager – Admin.

