

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: July 8, 2008

SUBJECT: Approve the Renewal of Blanket Purchase Order No. 15004, Resulting from Competitive Bid No. 9680, with Capital City Carpet for the Installation of Floor Covering Products and Performance of Related Work in the Maximum Amount of \$175,000.00

ACTION REQUESTED

Approve the renewal of Blanket Purchase Order (BPO) No. 15004, resulting from competitive Bid No. 9680, with Capital City Carpet of Sacramento, California, for the purchase and installation of floor covering products and performance of related work in the maximum amount of \$175,000.00, and authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

On July 10, 2007, your Board approved the award of Bid No. 9680 to Capital City Carpet. BPO No. 15004 was issued as a result of that action. Citing satisfactory performance, the Department of Facility Services has requested to renew the BPO for another year. Capital City Carpet agreed to renew the BPO, but with price increases averaging 7%. Capital City's proposed price increases are due to multiple price increases announced by its various manufacturers over the past contract period. The escalation in floor covering prices is the result of continuing raw material cost increases driven by record-setting oil and natural gas prices and weakness of the U.S. dollar versus other major currencies. In addition, both domestic and international transportation costs continue to rise.

After thorough evaluation of the proposed price increases, Procurement Services has concluded that the price increases are reasonable and justified. Upon your Board's approval, the resulting blanket purchase order will be effective for the period July 8, 2008 through June 30, 2009.

FISCAL IMPACT

The blanket purchase order resulting from this recommendation will total \$175,000.00. Facility Services' Fiscal Impact Statement is attached.

Attachment: Fiscal Impact Statement

cc: Dan Olsen, Facility Services
Valerie Bayne, Facility Services

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors
FROM: James Durfee, Director
DATE: March 25, 2008
SUBJECT: **Fiscal Impact Statement**
Floor Covering Products
- RQ047447

The Department of Facility Services, Building Maintenance Divisions have budgeted appropriately for this expense. Therefore there is sufficient funding available for this BPO.