

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Brett Wood, Purchasing Manager *BW*

DATE: October 8, 2013

SUBJECT: Orion Bus Replacement Glass and Original Equipment Manufacturer Parts – Transit Holdings Inc. Doing Business As New Flyer Industries Canada

ACTION REQUESTED

1. Approve the award of a negotiated blanket purchase order (BPO) with Transit Holdings Inc. doing business as New Flyer Industries Canada of Winnipeg, Manitoba, Canada for the as-needed purchase of replacement glass and original equipment manufacturer (OEM) parts used for Orion bus repairs in the maximum amount of \$65,000, funded by revenue collected from fleet rate and direct charge customers with no net County cost, for the period of October 8, 2013 through March 31, 2014, and authorize the Purchasing Manager to sign the resulting BPO.

BACKGROUND

The Department of Public Works Fleet Services Division (DPW) requires an annual BPO for the purchase of replacement glass and OEM parts on an as-needed basis to repair the County's fleet of Orion buses. Product availability and the supplier's ability to deliver products in a timely manner are essential elements of negotiated agreements. The department's previous supplier for these products was recently acquired by New Flyer Industries Canada. As the result of this acquisition, New Flyer Industries Canada is now the only authorized distributor of Orion parts and replacement glass in North America.

Procurement Services successfully negotiated a short-term blanket agreement with New Flyer Industries Canada with proposed price decreases averaging 17 percent. Procurement Services determined that these proposed decreases are reasonable since they are more favorable than the current market conditions affecting the cost of these products. Purchasing Policy Manual Section 1.3(n) allows for an exception to competitive bidding when it is reasonably necessary to conduct County business.

FISCAL IMPACT

Upon your Board's approval, a BPO will be awarded to New Flyer Industries Canada in the maximum amount of \$65,000 and will be effective for the period of October 8, 2013 through March 31, 2014 to coincide with the expiration date of the County's other OEM auto parts BPOs. DPW's Fiscal Impact Statement is attached.

Attachment: DPW's Fiscal Impact Statement

cc: Cynthia Taylor, Public Works Senior Administrative Services Officer
Chuck Gordon, Public Works Manager-Fleet Services

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MEMORANDUM

DEPARTMENT OF PUBLIC WORKS
County of Placer

TO: Honorable Board of Supervisors

FROM: Ken Grehm, Director

DATE: October 8, 2013

SUBJECT: **Fiscal Impact Statement**
RQ057258 - BPO with New Flyer Industries Canada

Approve the award of BPO with New Flyer Industries Canada for Orion bus parts in the amount of \$65,000 funded by revenue collected from Fleet rate customers and Fleet direct charge customers with no net county cost, for the period of FY 2013-14.