

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

TO: Honorable Board of Supervisors

FROM: Brett Wood, Purchasing Manager *BW*

DATE: May 20, 2014

SUBJECT: Bath Road Antenna Site Lease – Sahtout, Inc.

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**ACTION REQUESTED**

1. Approve Change Order No. 3 to Blanket Purchase Order No. 16464 with Sahtout, Inc. of Fair Oaks, CA for a communications site lease agreement to extend the effective date through December 31, 2014 and increase the blanket purchase order amount by \$5,295 resulting in a new maximum amount of \$60,492, funded by the FY2013-14 Administrative Services' budget with no additional net County cost;
2. Approve the renewal of a sole source blanket purchase order with Sahtout, Inc. for a five-year lease agreement in the maximum amount of \$65,793 for the period of January 1, 2015 through December 31, 2019; and
3. Authorize the Purchasing Manager to sign the resulting change order and blanket purchase order.

**BACKGROUND**

On February 17, 2009, a five-year Communications Site Lease Agreement was executed by and between Placer County and Sahtout, Inc. of Fair Oaks, CA to support the Countywide Radio Network Strategic Plan. As a result, Blanket Purchase Order (BPO) No. 16464 was issued for the period of February 17, 2009 through August 17, 2014 in the maximum amount of \$55,197.

In order to coincide the expiration date with the end of the calendar year, Administrative Services is requesting to extend the BPO through December 31, 2014 and indicates that an additional \$5,295 will be needed to support additional requirements through the extended term. The requested increase exceeds the Purchasing Manager's signature authority.

The department continues to have a requirement for the site lease and submitted a request to renew for another five-year period. This contract allows for automatic renewals of this site lease. The new annual rental rates of \$12,148 (year 1), \$12,633 (year 2), \$13,139 (year 3), \$13,664 (year 4), and \$14,211 (year 5) reflect an increase of four percent from the preceding rent amount which is allowed under the lease agreement, Section 5.

The Purchasing Policy Manual Section 1.3 (l) allows for an exception to the competitive bidding process because the Communications Site Lease Agreement can only be obtained through the property owner, Sahtout, Inc.

Therefore, your Board's approval is required to process a change order to extend BP016464 through December 31, 2014 and increase the BPO in the amount of \$5,295 for a revised maximum amount of \$60,492, to proceed with a new BPO in the amount of \$65,793, and to authorize the Purchasing Manager to sign the resulting change order and BPO.

## **FISCAL IMPACT**

Upon your Board's approval, BP016464 will be extended through December 31, 2014 and increased by \$5,295 to a new maximum amount of \$60,492, and a new BPO will be awarded to Sahtout, Inc in the maximum amount of \$65,793 for the period of January 1, 2015 through December 31, 2019. The Administrative Services Department has advised that these purchases will be funded by the FY2013-14 and future budgets with no additional net County cost.

cc: Jerry Gamez, Director of Administrative Services  
Kathy Buchanan, Deputy Director of Information Technology  
Dieter Wittenberg, Information Technology Manager