

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *Bmw*
DATE: May 22, 2012
SUBJECT: Approve the Renewal of Two Competitively Awarded Blanket Purchase Orders with Hunt and Sons Inc. as a Result of Competitive Bid No. 9899 for Bulk Gasoline and Diesel Fuel Purchases and Deliveries in the Maximum Aggregate Amount of \$2,165,000.00

ACTION REQUESTED

Approve the renewal of two competitively awarded Blanket Purchase Orders (BPOs) with Hunt and Sons Inc. of Sacramento as a result of competitive Bid No. 9899 for bulk gasoline and diesel fuel purchases and deliveries in the maximum aggregate amount of \$2,165,000.00, and authorize the Purchasing Manager to sign the resulting BPOs.

BACKGROUND

On June 7, 2011, your Board approved the award of BP018750 on behalf of Department of Public Works Fleet Services and Road Maintenance Divisions (DPW), as a result of the second renewal of Competitive Bid No. 9899, to Hunt and Sons Inc. for the period of July 1, 2011, through June 30, 2012 in the maximum amount of \$2,100,000.00. The Purchasing Manager awarded BP018749 to Hunt and Sons Inc. for the period of July 1, 2011, through June 30, 2012 in the maximum amount of \$49,000.00 on behalf of the Placer County Fire Department (PCFD). This amount was within the Purchasing Manager's signature authority. The increase in the BPO amount requested by PCFD for Fiscal Year 2012-13 is a result of escalating fuel costs.

The contract prices fluctuate within current market conditions and are based upon the difference between the vendor's fixed margin and the average Sacramento Rack Price reported by the Oil Price Information Service. Hunt and Sons Inc. agreed to renew for another year at the same terms and price margins. Section 1.3(o) of the Purchasing Policy Manual allows the County to renew this contract based on satisfactory service and reasonable pricing offered by the vendor. The resulting BPOs will be effective for the period of July 1, 2012, through June 30, 2013.

FISCAL IMPACT

Upon your Board's approval, BPOs will be awarded to Hunt and Sons Inc. in the maximum aggregate amount of \$2,165,000.00. The BPO amounts will be awarded as follows: DPW in the maximum amount of \$2,100,000.00 and PCFD in the maximum amount of \$65,000.00. The Department's Fiscal Impact Statements are attached.

Attachments: A – Public Works' Fiscal Impact Statement
B – Placer County Fire's Fiscal Impact Statement

cc: Kim Davis, CEO Administration Senior Account Auditor
Scott Lindgren, Placer County Fire Division Chief-South Operations
Cynthia Taylor, Public Works Senior Administrative Services Officer
Chuck Gordon, Public Works Manager – Fleet Operations
Kevin Taber, Public Works Manager – Road Maintenance

MEMORANDUM

DEPARTMENT OF PUBLIC WORKS
County of Placer

TO: Honorable Board of Supervisors

FROM: Ken Grehm, Director

DATE: May 22, 2012

SUBJECT: **Fiscal Impact Statement**
RQ054932, BPO with Hunt and Son's for Fleet Fuel

Sufficient funding has been budgeted in the amount of \$2,100,000 in the FY 2012-13 Fleet Services budget to fund this BPO.

**OFFICE OF
COUNTY EXECUTIVE**
HOLLY L. HEINZEN,
Interim County Executive Officer

COUNTY OF PLACER

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175 FULWEILER AVENUE / AUBURN, CALIFORNIA 95603
TELEPHONE: 530/889-4030
FAX: 530/889-4023
www.placer.ca.gov



TO: Honorable Board of Supervisors
FROM: Kim M. Davis, Senior Accountant Auditor
DATE: May 22, 2012
SUBJECT: **Fiscal Impact Statement**
RQ054852 – BPO for Gas & Diesel Products for Fire

Kim M. Davis

The BPO amount is \$65,000. The department has budgeted correctly for purchases on this BPO and funding is available in the proposed FY 2012/2013 budgets for Fire and Fire CSA Appropriations.

