

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

TO: Honorable Board of Supervisors  
FROM: David Seward, Purchasing Manager   
DATE: May 9, 2006  
SUBJECT: Approve Change Order No. 1 to BPO No. 12922 for Bulk Unleaded and Diesel Fuel with Hunt and Sons.

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**ACTION REQUESTED**

Approve Change Order No. 1 to BPO No. 12922 for bulk unleaded and diesel fuel with Hunt and Sons in the amount of \$300,000.00, and authorize the Purchasing Manager to sign the resulting revised BPO.

**BACKGROUND**

On June 28, 2005, your Board approved a BPO with Hunt and Sons on behalf of Public Works in the amount of \$1,150,000.00. Since that time, fuel prices have continued to rise. The cost of unleaded gasoline has increased by more than 50 cents per gallon and diesel has increase by more than 45 cents per gallon. Industry experts believe that the price of fuel will continue to rise through the end of this year. Another factor affecting the need to purchase more fuel is that Placer County has experienced a longer than average snow season.

**FISCAL IMPACT**

The revised amount of this BPO, which expires on June 30, 2006, will be \$1,450,000.00. There is sufficient funding in Public Work's budget for these expenditures.

Cc: Gwenda Howell, DPW Administration  
Dennis Gage, DPW Fleet Services

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