

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

TO: Honorable Board of Supervisors
FROM: David Seward, Purchasing Manager *DS*
DATE: July 10, 2007
SUBJECT: Approve the Renewal of Blanket Purchase Orders Resulting from Competitive Bid No. 9594 with Mad Butcher Meat Co. and Good Source for Meat Products in the Maximum Amount of \$200,000.00

ACTION REQUESTED

Approve the renewal of Blanket Purchase Orders (BPOs) with Mad Butcher Meat Co. of Sacramento, CA and Good Source LLC of Carlsbad, CA for Meat Products, and authorize the Purchasing Manager to sign the resulting blanket purchase orders in the maximum amount of \$200,000.00 and transfer funds between BPOs on an as needed basis.

BACKGROUND

On July 11, 2006, your Board approved the award of Competitive Bid No. 9594 to Mad Butcher Meat Co and Good Source for meat products. As the result, BPOs were issued for the period of July 1, 2006 through June 30, 2007.

The terms of the bid allow for renewal of the BPOs with mutual consent to the terms and prices by the vendor and the County. Probation's Central Kitchen staff has reported acceptable performance by both vendors and has requested the BPOs be renewed. Good Source has agreed to renew with price changes on some items, ranging from 4.23% to 7.81%. These increases are reasonable based on Procurement's review of Producer Price Indices for processed meat products. Mad Butcher Meat Co. has also agreed to renew and has requested price changes ranging from 2.67% to 98.95%. Although some of the increases are excessive, some of these products are also available from other vendors that the County has BPOs with, at lower prices. The Central Kitchen compares prices weekly between their food vendors for the best possible price at the time of purchase. It is recommended that the price changes be accepted and the BPOs renewed with Mad Butcher and Good Source. It is also recommended that funds are transferable between the agreements with Mad Butcher and Good Source, as well as the department's other food contracts with Sysco and Jacamar DDC.

FISCAL IMPACT

The Central Kitchen has requested a BPO in the maximum amount of \$90,000.00 with Mad Butcher Meat Co and \$110,000.00 with Good Source, the same amounts as the prior BPOs, for the period July 1, 2007 to June 30, 2008. The Probation Department has budgeted sufficiently for these expenditures in Fiscal Year 2007/08.

cc: Chris Artim, Sr. Administrative Services Officer, Probation Department

463

