

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: March 25, 2008

SUBJECT: Approve the Renewal of a Blanket Purchase Order as a Result of Competitive Bid No. 9670 with Kent's Oil Service for Asphalt Emulsion Delivered and Spread in the Maximum Amount of \$300,000.00

ACTION REQUESTED

Approve the renewal of a Blanket Purchase Order (BPO) as a result of competitive Bid No. 9670 with Kent's Oil Service of Stockton for asphalt emulsion delivered and spread, and authorize the Purchasing Manager to sign the resulting BPO in the maximum amount of \$300,000.00.

BACKGROUND

On May 8, 2007, your Board approved the award of competitive Bid No. 9670 to Kent's Oil Service for asphalt emulsion delivered and spread. As a result, a BPO was issued for the period of May 14, 2007 through March 31, 2008. The Department of Public Works – Road Maintenance Division has requested to renew the BPO in the maximum amount of \$300,000.00.

Kent's Oil Service has agreed to renew and has requested increases for all items by an average of 31.5% and elimination of the 10% prompt payment discount offered in the last contract period. The requested price increases are reasonable based on the California Paving Asphalt Price Index information provided by the California Department of Transportation, Division of Engineering Services, which shows that paving asphalt prices have increased by 72.7% since March of 2007.

FISCAL IMPACT

The BPO resulting from this recommendation will total \$300,000.00 and will be effective from April 1, 2008, through March 31, 2009. The Department of Public Works' Fiscal Impact Statement is attached.

Attachment: Department of Public Works Fiscal Impact Statement

cc: Kevin Taber, Public Works
Cynthia Taylor, Public Works

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors
FROM: Ken Grehm, Director
DATE: **January 18, 2008**
SUBJECT: **Fiscal Impact Statement**
Asphaltic Emulsion Delivered and Spread Services RQ046990

Fiscal Impact Statement

The department has budgeted appropriately for this BPO and funding is available in the FY 2007-08 department budget. Funding is available to cover the anticipated increase in the FY2008-09 department budget.