

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

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: September 8, 2009

SUBJECT: Approve Change Order No. 4 in the Amount of \$500.00 to Competitively Awarded Countywide Blanket Purchase Order No. 15469 with Empire Safety for Safety Supplies

ACTION REQUESTED

Approve Change Order No. 4 to competitively awarded Countywide Blanket Purchase Order (BPO) No. 15469 with Empire Safety for Safety Supplies to increase the maximum amount by \$500.00, and authorize the Purchasing Manager to sign the Change Order.

BACKGROUND

On February 26, 2008 the Board of Supervisors approved the award of Countywide BP015469 to Empire Safety for the purchase of safety supplies as a result of competitive Bid No. 9549. The BPO was issued for the effective period of April 1, 2008 through March 31, 2009 in the maximum amount of \$130,000. The BPO was subsequently extended through May 31, 2009 to allow time to evaluate and award a new bid for safety supplies.

It is difficult to forecast usage for Countywide BPOs because each department places their own orders and usage varies widely between departments. Section 2.4(c) of the Purchasing Policy Manual allows the Purchasing Manager to execute change orders to Board-approved agreements in an amount up to 10% of the original Board approved amount. Within this authority, Change Order No. 2 on June 15, 2009 increased the BPO by \$12,500.00 and Change Order No. 3 was subsequently issued in the amount of \$450.00, resulting in a new maximum amount of \$142,950.00 – nearly a 10% increase from the original Board approved maximum amount. However, there are still additional outstanding invoices that exceed the Purchasing Manager's change order authority. According to a report of outstanding invoices, an additional \$500.00 needs to be added to BP015469 to process payment for those final invoices. Therefore Your Board's approval is requested to issue Change Order No. 4. in the amount of \$500.00.

FISCAL IMPACT

This Change Order will increase the BPO by \$500.00, to \$143,450.00, enabling the County to pay final invoices and close out BP015469.

