

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

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BW*
DATE: November 8, 2011
SUBJECT: Approve the Renewal of Blanket Purchase Orders Using a Competitively Bid Public Agency Cooperative Agreement with Home Depot for Lumber, Building Materials, Tools and Miscellaneous Hardware in the Maximum Amount of \$80,000.00

ACTION REQUESTED

Approve the renewal of Blanket Purchase Orders (BPOs) using a competitively bid public agency cooperative agreement with Home Depot Inc. of Atlanta, GA for lumber, building materials, tools and miscellaneous hardware items on behalf of the Department of Facility Services in the maximum amount of \$80,000.00, and authorize the Purchasing Manager to sign the resulting BPO.

BACKGROUND

On October 4, 2010, the Purchasing Manager awarded BP018068 and BP018069 to Home Depot for the period of October 1, 2010, through September 30, 2011. The Department of Facility Services submitted a request to renew their BPOs for another one-year term and to consolidate the commodities into one BPO award to streamline their accounting functions. A renewal request was not sent to Home Depot since the department piggybacks off the U.S. Communities Contract with Home Depot, which is valid through July 31, 2014. There is no fee to the County to use the U.S. Communities contract. In lieu of product discounts, Home Depot offers an annual rebate to participating agencies each year based on the agency's annual net purchases as outlined below:

- 1% rebate for annual net purchases of \$10,000.00 - \$25,000.00
- 2% rebate for annual net purchases over \$25,000.00 - \$100,000.00
- 3% rebate for annual net purchases over \$100,000.00

The Purchasing Policy Manual (PPM) Section 1.3(e) (3) allows the County to purchase goods or services from a vendor that has a contract with another public agency and can provide sufficient evidence that the contract is current, was awarded as a result of a competitive process, and the price and quality of the goods to be purchased are equal to the pricing, terms, and specifications listed in the contract. The U.S. Communities contract meets this criteria.

FISCAL IMPACT

Upon your Board's approval, a BPO will be awarded to Home Depot Inc. in the maximum amount of \$80,000.00 for the period of November 8, 2011, through September 30, 2012. Facility Services' Fiscal Impact Statement is attached.

Attachment: Facility Services' Fiscal Impact Statement

cc: Valerie Bayne, Administrative Services Manager, Facility Services
Vicki Patterson, Accountant – Auditor II, Facility Services

319

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors
FROM: Valerie Bayne, Administrative Services Manager
DATE: November 8, 2011
SUBJECT: **Fiscal Impact Statement**
BPO for Lumber, Building Materials, Tools and Miscellaneous Hardware Service

The Department of Facility Services requires an annual blanket purchase order in the amount of \$80,000 for building materials, tools and miscellaneous hardware on an as-needed basis. This BPO is shared between three appropriations within the Department and each appropriation has budgeted appropriately for this expense in FY11/12: \$40,000 in Building Maintenance (10650), \$20,000 in Parks & Grounds (74250), and \$20,000 in Environmental Utilities (06280).