

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

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BWD*
DATE: December 10, 2013
SUBJECT: Propane Delivery Services – Ferrellgas

ACTION REQUESTED

1. Approve the award of competitive Bid No. 10315 to Ferrellgas for Propane Delivery Services in the maximum amount of \$70,500, funded by the budgets of Administrative Services, Facility Services, County Fire and County Service Area Appropriations, and Public Works, each with no new or additional net county costs;
2. Approve the option to renew for two additional one year terms provided the renewal amounts do not exceed 10 percent of the recommended maximum amount of \$70,500; and
3. Authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

Administrative Services, Facility Services, Office of Emergency Services, Placer County Fire, and Public Works require an annual blanket purchase order for the purchase of liquid propane and related services on an as needed basis for various Placer County owned and leased properties.

Procurement Services developed Invitation for Bids (IFB) No. 10315 for propane delivery services on behalf of the various County departments. The IFB was distributed via the County's electronic bidding system to 15 potential bidders and posted on Procurement's website. Eleven firms accessed the IFB and a total of two bid responses were received.

Bidders were requested to provide a fixed margin above or below the weekly Targa San Francisco price for propane listed in the Butane Propane News. This schedule was used to determine the actual cost of propane for evaluation purposes and will be used as the "bench mark" during the duration of the awarded contract period. The bid was evaluated on an all-or-none basis. Ferrellgas of Nevada City, CA is the lowest, responsive bidder. The firm is the County's existing contractor and has provided good service during the previous contract periods.

Your Board's approval is required to proceed with the award of competitive Bid No. 10315 in the maximum amount of \$70,500 and to authorize the Purchasing Manager to sign the resulting BPO.

FISCAL IMPACT

Upon your Board's approval, a BPO will be awarded to Ferrellgas in the maximum amount of \$70,500 for the period of January 1, 2014 through December 31, 2014. Each department is responsible for budgeting properly for its own expenditures from the Countywide BPO.

Cc: Dieter Wittenberg, Information Technology Manager
Rui Cunha, Assistant Director of Emergency Services
Kim Davis, County Executive Office Senior Administrative Services Officer
Shelley Beninga, County Executive Office Accountant Auditor I
Valerie Bayne, Facility Services Administrative Services Manager
Cynthia Taylor, Public Works Senior Administrative Services Officer

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