

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

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *B Wood*
DATE: January 7, 2014
SUBJECT: Traffic Signal Maintenance & Repair Services – Gray Electric Company, Inc.

ACTION REQUESTED

1. Approve the annual renewal of a blanket purchase order with Gray Electric Company, Inc. of Grass Valley, CA for traffic signal maintenance and repair services in the maximum amount of \$106,000, funded by the Highway User Tax Account for FY 2013-14 and FY 2014-15 with no net county cost, for the period of January 1, 2014 to December 31, 2014, and authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

The Department of Public Works' Road Maintenance Division requires a qualified vendor to maintain the County's traffic signals, pedestrian signals, and flashing beacons on a monthly basis and for repairs as needed. The City of Auburn also has the option of using the County's resulting contract for maintenance and repair of its vehicular and pedestrian traffic control equipment. On February 5, 2013, your Board approved the one-year renewal of a blanket purchase order (BPO) as a result of competitive Bid No. 10032 with Gray Electric Company. The executed BPO expired on December 31, 2013.

Gray Electric Company agreed to renew the BPO with an overall 4.63% increase due to increased labor, insurance, and overhead costs. Procurement has concluded that the increase is reasonable and justified based on comparison to various indices. Section 1.0 of the original bid's Instructions to Bidders allows for the renewal of this agreement at the County's option.

Your Board's approval is required to proceed with a new one-year BPO in the maximum amount of \$106,000 and to authorize the Purchasing Manager to sign the resulting BPO.

FISCAL IMPACT

Upon your Board's approval, a new BPO will be awarded to Gray Electric Company in the maximum amount of \$106,000 for the period of January 1, 2014 through December 31, 2014. The Department has budgeted appropriately for this expense. Work is funded by revenue collected from the Highway User Tax Account with no net county cost, for the period of FY2013-14 & FY2014-15.

cc: Kevin Taber, Public Works Manager – Road Maintenance
Cynthia Taylor, Senior Administrative Services Officer

