

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *B.W.*
DATE: February 25, 2014
SUBJECT: Passenger Car, Truck, and Heavy Equipment Tires – Auburn Tire Service and Schultz Tire Factory

ACTION REQUESTED

1. Approve the award of multiple blanket purchase orders using a competitive awarded National Purchasing Partners public agency cooperative contract to Auburn Tire Service of Auburn and Schultz Tire Factory of Auburn for the as-needed purchase of passenger car, truck, and heavy equipment tires on behalf of the Department of Public Works Fleet Services Division and the Placer County Fire Department in the maximum aggregate amount of \$275,000, funded by revenues collected from Fleet rate and direct charge customers and Fire revenues with no net County cost, for the period of February 25, 2014 through March 31, 2015;
2. Approve the option to renew the resulting blanket purchase orders on a year-to-year basis for two additional one-year terms provided that each renewal amount does not exceed 10 percent in aggregate of the recommended award amount of \$275,000; and
3. Authorize the Purchasing Manager to sign the resulting blanket purchase orders and to transfer funds between blanket purchase orders as needed.

BACKGROUND

The Placer County Fire Department (PCFD) and the Department of Public Works Fleet Services Division (DPW) require annual blanket purchase orders (BPOs) for the purchase of passenger car, light & heavy truck, bus, and equipment tires, as well as minor tire repair and wheel alignment services on an as-needed basis to support their vehicle maintenance operations. The departments' most recent BPOs expired on January 31, 2014.

The departments have historically contracted with Auburn Tire Service and Schultz Tire Factory utilizing cooperative contracts awarded by other public agencies. Currently, there are three cooperative contracts for Goodyear brand tires that are available for use by Placer County: National Purchasing Partners (NPP), The Cooperative Purchasing Network, and National Joint Powers Alliance.

An analysis of the pricing from each cooperative contract shows that the pricing offered in the NPP contract is most advantageous to Placer County based on the County's estimated annual tire requirements. In accordance with the Purchasing Policy Manual Section 1.3(e)(3), purchases using the terms of another public agency's current competitively awarded contract are exempt from the County's normal competitive requirements. The NPP contract meets this criterion.

Your Board's approval is required to proceed with the award of multiple blanket purchase orders in the maximum aggregate amount of \$275,000 and to authorize the Purchasing Manager to sign the resulting BPOs.

FISCAL IMPACT

Upon your Board's approval, BPOs will be awarded to Auburn Tire Service and Schultz Tire Factory in the maximum aggregate amount of \$275,000 for the period of February 25, 2014 through March 31, 2015. The Department of Public Works Fleet Services Division and the Placer County Fire tire purchases are funded by revenues collected from Fleet rate and direct charge customers and Fire revenues with no net County cost. Funds are not encumbered until services are rendered against the BPOs.

cc: Rui Cunha, Assistant Director - Emergency Services
Scott Lindgren, Placer County Fire Division Chief-South Operations
Kim Davis, Senior Administrative Services Officer - County Executive Office
Shelley Beninga, Accountant Auditor I - County Executive Office
Cynthia Taylor, Senior Administrative Services Officer - Public Works
Chuck Gordon, Manager-Fleet Operations - Public Works

