

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

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BW*
DATE: June 3, 2014
SUBJECT: Aviation Fuel Purchases – Kropp Holdings Inc.

ACTION REQUESTED

1. Approve the renewal of a blanket purchase order using a competitively awarded United States Department of Defense, Defense Logistics Agency Energy cooperative contract with Kropp Holdings Inc. of Cockeysville, MD for the as-needed purchase of aviation fuel and related products and services on behalf of the Placer County Sheriff's Office in the maximum amount of \$95,000, funded by the Sheriff's Office annual budget with no net County cost, for the period of July 1, 2014 through June 30, 2015;
2. Approve the option to renew the resulting blanket purchase order 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 renewal amount of \$95,000; and
3. Authorize the Purchasing Manager to sign the resulting blanket purchase orders.

BACKGROUND

Over the past thirteen years, the Placer County Sheriff's Office (PCSO) has participated in two aviation fuel purchasing programs created by the United States Department of Defense, Defense Logistics Agency (DLA) Energy: the Aviation Into-plane Reimbursement (AIR) Card Program and the Fuel Purchase Agreement (FPA) Identiplate Program. The FPA Identiplate Program provides agencies with the capability of purchasing aviation fuel directly from military airbases at fixed prices throughout the year. The AIR Card Program was created so that U.S. government air crews could purchase aviation fuel and ground services at commercial airports worldwide. PCSO is able to utilize both programs due to their certified status with the State of California Governor's Office of Emergency Services Public Safety Procurement Program (1122 Program), which supports counter drug, homeland security, and emergency response operations conducted by state and local government agencies.

The department's current blanket purchase order (BPO) with Kropp Holdings Inc. for the AIR Card Program expires on June 30, 2014. Last year the department obtained approval from DLA to participate in the AIR Card Program until it expires on June 30, 2022. Purchasing Policy Manual Section 1.3(e)(3) allows purchases using the terms of another public agency's current competitively awarded contract and are exempt from the County's normal competitive requirements. The DLA contract meets this criterion.

Your Board's approval is required to proceed with the award of a BPO in the maximum amount of \$95,000 and to authorize the Purchasing Manager to sign the resulting BPO.

FISCAL IMPACT

Upon your Board's approval, a BPO will be awarded to Kropp Holdings Inc. in the maximum amount of \$95,000 and will be effective for the period of July 1, 2014 through June 30, 2015. The department's purchases are funded by their annual budget with no net County cost.

cc: Judy LaPorte, Administrative Services Manager – Sheriff's Office
Virginia Valenzuela, Senior Administrative Services Officer – Sheriff's Office
Liz Zmyslowski, Senior Accountant Auditor – Sheriff's Office

