

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BW*
DATE: January 6, 2015
SUBJECT: Prepaid Gas Cards – SVM, LP

ACTION REQUESTED

1. Approve the annual renewal of a sole source blanket purchase order with SVM, LP of Des Plaines, IL for the purchase of prepaid gas cards for Health and Human Services in the maximum aggregate amount of \$100,000, funded by the department's current budget for Fiscal Year 2014-15 and the proposed budget for Fiscal Year 2015-16 with no new net County cost, for the period of January 1, 2015 to December 31, 2015, and authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

Health and Human Services (HHS) provides transportation assistance to clients as necessary, and as resources allow, for transportation to court-ordered and/or voluntary services when no other family or community resources exist. In the past, HHS provided gas vouchers which were redeemable at only one gas station in Auburn and one in Roseville. Both stations eventually declined to continue this program due to the carrying cost associated with waiting for the County's Net 30 day payments. In 2010, Procurement attempted to find other stations who would be willing to carry our accounts. No local stations would agree to our payment terms. The only solution available is to purchase prepaid cards to distribute to clients.

Most card processing services offer cards for only one gasoline chain. SVM, LP of Des Plaines, IL is the only firm who offers gas cards for a wide variety of stations. The department is able to purchase cards for gas stations which are conveniently located near the clients' homes or driving routes. SVM offers prepaid cards in many denominations. The only cost to the County is a nominal processing fee for cards in denominations of \$20 or less, and shipping fees. On January 7, 2014 your Board approved the award of BP021069 to SVM for the period of January 1, 2014 through December 31, 2014.

HHS has determined that this program is effective and has submitted a request to issue a new BPO to SVM, LP in the maximum amount of \$100,000 for the period January 1, 2015 through December 31, 2015. This award requires your Board's approval.

FISCAL IMPACT

HHS has advised that the funds for these purchases are included in the department's current budget for Fiscal Year 2014-15 and will be included in the department's proposed budget for Fiscal Year 2015-16. The department has also advised that funding for the BPO period includes \$80,000 from Federal and State sources, and \$20,000 of required County General Fund match.

cc: Jeffrey S. Brown, Director of Health and Human Services
Rebecca Mellott, Director of HHS Administrative Services
Jim Nissen, Administrative & Fiscal Operations Manager, HHS Systems of Care
Brian Rupprecht, Administrative & Fiscal Operations Manager, HHS Human Services

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