

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

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager
DATE: June 2, 2015
SUBJECT: Automotive Oil and Lubrication Products – Hunt & Sons Inc.

ACTION REQUESTED

1. Approve the renewal of a competitively awarded multi-department Blanket Purchase Order with Hunt & Sons Inc. of Sacramento, CA for the as-needed purchase of automotive oil and lubrication products in the maximum amount of \$125,000, an increase of \$40,000 over the prior contract amount, on behalf of the Department of Public Works Fleet Services Division and Placer County Fire, for the period of July 1, 2015 through June 30, 2016. Funding is provided by revenue collected from Fleet rate customers and Placer County Fire revenues identified in the FY 2015-16 requested budget, with no net County cost; and
2. Authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

The Placer County Fire and the Department of Public Works Fleet Services Division require an annual blanket purchase order (BPO) for the purchase of automotive oil and lubrication products on an as-needed basis which are used to maintain the County's various vehicles and heavy equipment. On March 25, 2014 your Board approved the second renewal of competitive Bid No. 10167 to Hunt & Sons Inc., which resulted in the issuance of BP021197 for the period of April 1, 2014 through June 30, 2015.

Both agencies requested that the multi-department BPO be renewed for another one-year term. Hunt & Sons Inc. agreed to renew at the same pricing and terms. Procurement verified that the vendor's proposed renewal pricing and terms are consistent with current market conditions for this commodity. Section 15 of the General Terms and Conditions of Bid No. 10167 allows for the renewal of the existing agreement on a year-to-year basis upon the successful negotiation of the renewal pricing and terms. Placer County Purchasing Policy Manual Section 1.3(o) also allows for the renewal of a contract based on the vendors' satisfactory contract performance.

Your Board's approval is required to proceed with the award of a new one-year BPO in the maximum amount of \$125,000 and to authorize the Purchasing Manager to sign the resulting BPO.

FISCAL IMPACT

Upon your Board's approval a BPO will be awarded to Hunt & Sons Inc. in the maximum amount of \$125,000 for the period of July 1, 2015 through June 30, 2016. The resulting BPO will be funded by the revenue collected from Fleet rate customers and Placer County Fire revenues with no net County cost.

cc: John McEldowney, Emergency Services Program Manager – Office of Emergency Services
Shelley Beninga, Accountant Auditor I – County Executive Office
Cynthia Taylor, Senior Administrative Services Officer – Public Works
Chuck Gordon, Fleet Operations Manager – Public Works

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