

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager
DATE: April 28, 2015
SUBJECT: Credit Card Fuel Purchases – U.S. Bank National Association ND

ACTION REQUESTED

1. Approve Change Order No. 2 to Blanket Purchase Order No. 21164 with U.S. Bank National Association ND of Minneapolis, MN for credit card fuel purchases in the amount of \$25,000 and increasing the maximum amount to \$665,000 on behalf of the Department of Public Works Fleet Services Division. Funding is provided by revenue collected from Fleet rate customers and Fleet direct charge customers with no net County cost; and
2. Authorize the Purchasing Manager to sign the resulting change order.

BACKGROUND

On June 18, 2013 your Board approved the renewal of a blanket purchase order (BPO) awarded from a State of California competitive contract with U.S. Bank National Association ND of Minneapolis, MN for credit card fuel purchases and also authorized the Purchasing Manager to renew the resulting agreement on a year-to-year basis through October 31, 2016 to coincide with the expiration date of the State of California contract. The resulting BPO was renewed as BP021164 for the period of May 1, 2014 through April 30, 2015 in the maximum amount of \$600,000. On February 6, 2015 the Purchasing Manager approved the first change order to BP021164 with U.S. Bank National Association ND which increased the total BPO amount by \$40,000 and resulted in a new not-to-exceed amount of \$640,000.

DPW determined that the current BPO amount will not be sufficient to pay for the department's credit card fuel purchases through the end of the current agreement. The department has experienced a significant increase in credit card fuel purchases through the most recent contract period which necessitated this request. DPW confirmed that an additional \$25,000 will need to be added to the BPO to support the departments' operational requirements through April 30, 2015.

The requested increase exceeds the Purchasing Manager's signature authority. Therefore, your Board's approval is required to process a change order to increase the BPO in the amount of \$25,000 for a revised maximum amount of \$665,000 and to authorize the Purchasing Manager to sign the resulting change order.

FISCAL IMPACT

Upon your Board's approval, BP021164 will be increased by \$25,000 to a new maximum amount of \$665,000. DPW advised that sufficient funding is available in their FY 2014-15 budget with no new net County cost.

cc: Cynthia Taylor, Senior Administrative Services Officer - Public Works
Chuck Gordon, Fleet Services Manager - Public Works

