



# County of El Dorado

330 Fair Lane, Building A  
Placerville, California  
530 621-5390  
FAX 622-3645  
www.edcgov.us/bos/

## Legislation Details (With Text)

**File #:** 14-0029      **Version:** 1

**Type:** Agenda Item      **Status:** Approved

**File created:** 12/19/2013      **In control:** Board of Supervisors

**On agenda:** 1/14/2014      **Final action:** 1/14/2014

**Title:** Chief Administration Office, Procurement and Contracts Division, recommending the Board consider the following:

- 1) Authorize an increase of \$27,804 on BP20130786 for a total of \$90,000 for the purchase of heavy equipment and truck tires and related services on the West Slope and an increase of \$19,804 on BP20130900 for a total of \$82,000 for the purchase of heavy equipment and truck tires and related services on the East Slope of El Dorado County, to the low qualified bidder Sierra Nevada Tire and Wheel of Placerville, CA;
- 2) Authorize the Purchasing Agent to sign the increased blanket purchase orders for a term ending on May 14, 2014 for both blanket purchase orders following Board approval; and
- 3) Authorize the Purchasing Agent to increase the blanket purchase orders on an as-needed basis during the awarded period as long as funding is available within the Community Development Agency, Transportation Division's budget.

FUNDING: Road Fund Discretionary. (No Federal Funds)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
1/14/2014	1	Board of Supervisors	Approved	Pass

Chief Administration Office, Procurement and Contracts Division, recommending the Board consider the following:

- 1) Authorize an increase of \$27,804 on BP20130786 for a total of \$90,000 for the purchase of heavy equipment and truck tires and related services on the West Slope and an increase of \$19,804 on BP20130900 for a total of \$82,000 for the purchase of heavy equipment and truck tires and related services on the East Slope of El Dorado County, to the low qualified bidder Sierra Nevada Tire and Wheel of Placerville, CA;
- 2) Authorize the Purchasing Agent to sign the increased blanket purchase orders for a term ending on May 14, 2014 for both blanket purchase orders following Board approval; and
- 3) Authorize the Purchasing Agent to increase the blanket purchase orders on an as-needed basis during the awarded period as long as funding is available within the Community Development Agency, Transportation Division's budget.

**FUNDING:** Road Fund Discretionary. (No Federal Funds)

<b>BUDGET SUMMARY:</b>	
Total Estimated Cost.....	47,608.00
Budget - Current FY.....	47,608.00

Budget - Future FY.....	
New Funding.....	
Savings.....	
Other.....	
Total Funding Available.....	47,608.00
Change To Net County Cost.....	0.00

**Fiscal Impact/Change to Net County Cost**

Procurement and Contracts Division has been advised that funding is available within the Community Development Agency, Transportation Division's budget. (ROAD FUND DISCRETIONARY)

**Background**

At the request of the Community Development Agency, Transportation Division, the Procurement and Contracts Division issued two Invitations to Bid for Equipment / Truck Tires, Tubes and Related Products and Services for the East and West Slope of El Dorado County. Bid #13-863-011 for the East Slope was awarded to the lowest responsible and responsive bidder Sierra Nevada Tire and Wheel by the Purchasing Agent on 10/10/2012, and Bid #13-863-036 for the West Slope was awarded to the lowest responsible and responsive bidder, Sierra Nevada Tire and Wheel of Placerville, CA., by the Purchasing Agent on 5/17/2013. Blanket Purchase orders were issued in the amount of \$39,000.00 for the East Slope (BP20130786) and \$55,000.00 for the West Slope (BP20130900), and were based on the Division's annual purchases in previous years.

Tire prices have increased significantly in the global market, especially in the Heavy Equipment and Truck sectors. The Transportation Division calculated their annual tire budgets based on past budget performance history, which did not keep up with the market's increases. This year's project load in the Maintenance Division has taken a toll on tires, in that there has been an increase in replacements of tires due to damaged tires, as well as wear-out. Large brushing and chip seal projects, which stress tires and put tires into areas where punctures and tearing can often occur, greatly increased replacements beyond the Division's normal estimates.

The next budget for tire contracts will have a new review and calculation, along with better research of the market pricing estimates, to avoid these shortfalls. The Transportation Division will also make a plan to track when tires are replaced due to damage, and on a case-by-case review, determine why the damage occurred, if it was preventable, and how we can reduce damage replacements by providing training or other recommendations. The Transportation Division also plans to issue two new bids at that same time this year in May.

Because services are included in this BP, the Purchasing Agent's authority is limited by Government Code and County Ordinance at \$62,196.00. On August 23, 2013 the Purchasing Agent increased BP20130786 for the East Slope to \$62,196.00 and on 12/9/2013 the Purchasing Agent increased BP20130900 to \$62,196.00; however the Transportation Division estimates that total purchases through the remainder of the BP terms will be approximately \$27,804.00 for BP20130786 (East Slope) and approximately \$19,804.00 for BP20130900 (West Slope) for a total increase of \$47,608.00 for both BPs. It is also recommended that the Board authorize the Purchasing Agent to increase both BPs again if needed by the Transportation Division and funding is available.

**Action(s) to be taken following Board approval**

Following Board approval, the Procurement and Contracts Division will increase blanket purchase order BP20130786 (for the East Slope) for a total of \$90,000.00, and increase blanket purchase order BP20130900 (for the West Slope) for a total of \$82,000.00 to Sierra Nevada Tire and Wheel, of Placerville, CA.

**Contact**

Sue Hennike, Ext 5577