

MEMORANDUM

October 29, 2012  
M0088-BSM  
BSM/995-1434

SUPERINTENDENT'S OFFICE  
2012 OCT 31 AM 8:41

TO: Mr. Alberto M. Carvalho, Superintendent of Schools

THROUGH: Richard H. Hinds, Chief Financial Officer

FROM: Barry S. Meltz, District Director  
Procurement Management Services

*James Anderson*  
10/26/2012

SUBJECT: SUPERINTENDENT'S EXTENSION OF CONTRACTS

The following contracts are requested to be approved as Superintendent's Extension of Contracts, as authorized by Board Policy 6320, Purchasing. It is the District's established practice, for Procurement Management Services to apply the contract amount for each approved extension, during the term of the contract. There is no obligation to purchase any amount within the contract period as set forth in the bid solicitation. It is requested that you review and approve the extensions listed below:

| <u>CONTRACT NO.</u> | <u>CONTRACT TITLE</u>  | <u>AWARD AMOUNT</u> | <u>EXTENSION DATE</u> |
|---------------------|--|---------------------|-----------------------|
| 1. 007-HH11         | ELECTRIC CLOCKS AND INTERCOM-SYSTEM PARTS (REBID)                          | \$39,571            | 10/16/12 – 01/15/13   |
| 2. 010-KK11         | FIRE-SUPPRESSION SYSTEMS SERVICES CONTRACT                                 | \$201,503           | 11/17/12 – 11/16/13   |
| 3. 059-KK07         | DIESEL FUEL #2 FOR SCHOOLS - SOUTH OF FLAGLER STREET (TANK WAGON DELIVERY) | \$121,440           | 01/01/13 – 12/31/13   |

REVIEWED:   
School Board Attorney

APPROVED:   
Alberto M. Carvalho  
Superintendent of Schools

BSM/ae

## CONTRACT EXTENSION SUMMARY

Contract No.: 059-KK07

Contract Title: DIESEL FUEL #2 FOR SCHOOLS – SOUTH OF FLAGLER STREET (TANK WAGON DELIVERY)

Board Meeting Date: December 15, 2010 – Agenda Item E-144

Purpose of Contract: The purpose of this contract is to purchase, diesel fuel #2, with a fixed service charge, which includes escalation/de-escalation pricing based on the Oil Price Information System (OPIS) average rack price for fuel, for schools and departments, south of Flagler Street.

Initial Award Amount: \$200,000

Initial Contract Award Period and Extension: January 1, 2011 – December 31, 2012  
One (1) year, with an option to extend for three (3) additional one (1) year periods and, if needed, an additional ninety (90) days beyond the expiration date of the current contract period.

Current Extension Amount: N/A

Current Extension Period: N/A

Recommended Extension Award Amount: \$121,440

Recommended Extension Period: January 1, 2013 – December 31, 2013  
This is the first extension of the contract. The awardees have agreed to extend for an additional one (1) year period, by letter, on file.

Vendors Recommended for Contract Extension: Two (2)

Osher Oil, d.b.a. Costa Oil  
BV Oil Company, Inc.

Cost Savings: No

Justification: It is considered to be in the best interest of the District to extend this contract for an additional one (1) year period, to benefit from fixed prices and continuity of service, inasmuch as the Consumer Price Index (CPI), as of September 2012, indicated an increase of 0.6%, with an annual index of 2.0%. Staff has indicated satisfactory performance from the vendors and recommends extension. This extension is based on the terms, conditions and pricing contained in the original contract approved by the School Board.

Benchmark: A feasibility review was conducted Procurement Management Services and the Department of Transportation, to compare the District's pricing to the County's fuel contract. It was determined that the County's pricing structure was not advantageous to the District, and the terms and conditions of the County's fuel contract did not mitigate the risk of delivery of fuel in the event of an emergency, i.e. tropical storm or hurricane.