



COLLIN COUNTY

Public Works Department
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March 30, 2011

TO: Judge Self and Commissioners Court

FROM: Jon Kleinheksel, Director of Public Works

RE: Change Order #3; Contract #05547-08
Dial Lubricants

Public Works requests Commissioners Court consideration and any action regarding Change Order #3 to Supplies: lubricants, oils and misc. items with Dial Lubricants, Inc., Contract Number 05547-08.

This change order will increase pricing 5%-8%, which will result in an increase of \$0.40 gallon on fluids and \$0.05/lb for greases. If approved, the increases will take effect April 1, 2011.

The contract is a one (1) year renewal term that began October 1, 2010 and continues through September 30, 2011. The proposed price increase will result in an expected annual budget increase of approximately \$1,725 per year. We believe that due to the current economy which reflects a nationwide increase in oil commodity prices, any rebid will likely result in more of an increase for these products than currently requested by Dial Lubricants.

If you have any questions, please do not hesitate to contact me and I will respond accordingly.