

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

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: April 5, 2011

SUBJECT: Approve the Award of Competitive Bid No. 10057 to Vulcan Materials (Roseville & Grass Valley) for Asphalt Concrete Used for Road Maintenance in the Total Aggregate Amount of \$680,000.00

ACTION REQUESTED

Approve the award of competitive Bid No. 10057 to Vulcan Materials (Roseville & Grass Valley) for asphalt concrete used for road maintenance in the total aggregate amount of \$680,000.00, and authorize the Purchasing Manager to sign the resulting blanket purchase orders (BPOs) and to transfer funds between BPOs as necessary to meet the County's needs.

BACKGROUND

The Department of Public Works' Road Maintenance Division requires annual BPOs to purchase asphalt concrete as-needed for road maintenance throughout Placer County. The department's current BPOs expired on March 31, 2011.

Procurement transmitted Invitation for Bids (IFB) No. 10057 via the County's E-Bid system to thirty-one potential bidders and advertised the IFB on the County's website. Only one bid was received, from Vulcan Materials, with locations in Roseville and Grass Valley. Procurement evaluated Vulcan Materials' pricing by combining material costs and the County's round-trip hauling costs to determine a total cost per ton for each asphalt concrete type and destination. Attachment A contains the cost calculations and award summary. Vulcan's bid prices represent an average 1.5 percent increase over last year's pricing, bettering the 3 percent rise in the Bureau of Labor Statistics Producer Price Index for asphalt. Vulcan Materials did not submit bid pricing for Eastern Placer County. A separate agreement has been negotiated with Teichert Aggregates for Eastern Placer County and has been included in the April 5, 2011 agenda for your Board's approval.

FISCAL IMPACT

Upon your Board's approval, BPOs will be awarded to Vulcan Materials – Roseville in the maximum amount of \$333,000.00, and Vulcan Materials – Grass Valley in the maximum amount of \$347,000.00, for a total aggregate amount of \$680,000.00 effective for the period of April 1, 2011, through March 31, 2012. The Department of Public Works' Fiscal Impact Statement is attached.

Attachments: A – Recommended Awards
B – Public Works' Fiscal Impact Statement

cc: Kevin Taber, DPW Road Maintenance
Cynthia Taylor, DPW Administration

RECOMMENDED AWARDS BY PRODUCT

<u>Product</u>	<u>Primary Vendor</u>	<u>Primary Subtotal</u>	<u>Secondary Vendor</u>	<u>Secondary Subtotal</u>
1/4" PG 64-10	Vulcan, Roseville	\$ 26,220.00	Vulcan, Grass Valley	\$ 26,335.00
3/8" PG 64-10	Vulcan, Roseville	\$ 167,200.00	Vulcan, Grass Valley	\$ 171,462.50
1/2" PG 64-10	Vulcan, Roseville	\$ 307,387.50	Vulcan, Grass Valley	\$ 315,590.63
3/4" PG 64-10	Vulcan, Roseville	\$ 112,600.00	Vulcan, Grass Valley	\$ 117,700.00
	Subtotal:	\$ 613,407.50	Subtotal:	\$ 631,088.13
1/4" PG 64-16	Vulcan, Grass Valley	\$ 26,335.00	Vulcan, Roseville	\$ 26,220.00
3/8" PG 64-16	Vulcan, Grass Valley	\$ 202,637.50	Vulcan, Roseville	\$ 197,600.00
1/2" PG 64-16	Vulcan, Grass Valley	\$ 255,478.13	Vulcan, Roseville	\$ 248,837.50
3/4" PG 64-16	Vulcan, Grass Valley	\$ 176,550.00	Vulcan, Roseville	\$ 168,900.00
	Subtotal:	\$ 661,000.63	Subtotal:	\$ 641,557.50
1/4" PG 64-16	No Responsive Bids Received			
3/8" PG 64-16	No Responsive Bids Received			
1/2" PG 64-16	No Responsive Bids Received			
1/4" PG 64-28	No Responsive Bids Received			
3/8" PG 64-28	No Responsive Bids Received			
1/2" PG 64-28	No Responsive Bids Received			

RECOMMENDED AWARD AMOUNTS BY VENDOR

	<u>Primary Materials Subtotal</u>	<u>Tax</u>	<u>Primary Award Subtotal</u>	<u>* Factor</u>	<u>Recommended Primary Award (Rounded)</u>
Vulcan Materials, Roseville	\$ 613,407.50	\$ 50,606.12 8.250%	\$ 664,013.62	0.90	\$ 298,810.00
	<u>Secondary Materials Subtotal</u>	<u>Tax</u>	<u>Secondary Award Subtotal</u>	<u>* Factor</u>	<u>Recommended Secondary Award (Rounded)</u>
Vulcan Materials, Roseville	\$ 641,557.50	\$ 52,928.49 8.250%	\$ 694,485.99	0.10	\$ 34,190.00
Total Recommended Award for Vulcan Materials (Roseville):					\$ 333,000.00
	<u>Primary Materials Subtotal</u>	<u>Tax</u>	<u>Primary Award Subtotal</u>	<u>* Factor</u>	<u>Recommended Primary Award (Rounded)</u>
Vulcan Materials, Grass Valley	\$ 661,000.63	\$ 55,358.80 8.375%	\$ 716,359.43	0.90	\$ 322,360.00
	<u>Secondary Materials Subtotal</u>	<u>Tax</u>	<u>Secondary Award Subtotal</u>	<u>* Factor</u>	<u>Recommended Secondary Award (Rounded)</u>
Vulcan Materials, Grass Valley	\$ 631,088.13	\$ 52,853.63 8.375%	\$ 683,941.76	0.10	\$ 24,640.00
Total Recommended Award for Vulcan Materials (Grass Valley):					\$ 347,000.00
TOTAL BID AWARD AMOUNT:					\$ 680,000.00

* - Department anticipates that purchases will be a 90/10 split between the primary and secondary asphalt concrete suppliers. Due to current economic conditions and based on the department's asphalt concrete requirements in previous years, the recommended award amounts are approximately 50% of the actual bid amounts.

