

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

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager *BWB*  
DATE: April 8, 2014  
SUBJECT: Asphalt Concrete – Vulcan Materials and Teichert Aggregates

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**ACTION REQUESTED**

1. Approve the renewal of competitively awarded blanket purchase orders with Vulcan Materials of Roseville and Grass Valley, CA and a negotiated blanket purchase order with Teichert Aggregates of Truckee, CA for the purchase of asphalt concrete products in the total aggregate amount of \$897,000, funded by Highway User Tax Account revenue with no net County cost, for the period of April 8, 2014 through March 31, 2015, and authorize the Purchasing Manager to sign the resulting blanket purchase orders and to transfer funds between blanket purchase orders as necessary to meet the County's needs.

**BACKGROUND**

The Department of Public Works Road Maintenance Division (DPW) requires annual blanket purchase orders (BPOs) for the purchase of various types of asphalt concrete products on an as-needed basis for the department's road maintenance projects throughout Placer County. On April 9, 2013, your Board approved the second renewal of competitive Bid No. 10057 with Vulcan Materials – Roseville Plant and Vulcan Materials – Grass Valley Plant for asphalt concrete products needed in Western Placer County as well as the issuance of a negotiated BPO to Teichert Aggregates for asphalt concrete products needed in Eastern Placer County. The resulting BPOs expired on March 31, 2014.

DPW submitted requests to renew the BPOs for another one-year term. Both Vulcan Material locations agreed to renew at the same pricing and terms. Section 15 of the General Terms and Conditions of Bid No. 10057 allows for the renewal of the existing agreement on a year-to-year basis upon the successful negotiation of the renewal pricing and terms.

Procurement Services successfully negotiated an agreement with Teichert Aggregates to renew for another one-year term with proposed price increases averaging 0.67% overall. The proposed price increases are attributed to rising costs for raw materials and transportation. Procurement Services determined that these proposed increases are reasonable because they are representative of the current market conditions affecting the cost of these products. The vendor has provided satisfactory service to DPW and continues to provide products that meet the County's requirements. Section 7.2 of the Purchasing Policy Manual (PPM) allows the County to negotiate contracts for operational services and supplies based on geographic proximity to the County's sites of operations. Placer County Purchasing Policy Manual Section 1.3(o) also allows for the renewal of a contract based on the vendors' satisfactory contract performance.

**FISCAL IMPACT**

Upon your Board's approval, BPOs will be awarded to Vulcan Materials - Roseville, Vulcan Materials – Grass Valley, and Teichert Aggregates in the maximum aggregate amount of \$897,000 and will be effective for the period of April 8, 2014 through March 31, 2015. The resulting BPOs are funded by Highway User Tax Account revenue with no net County cost.

cc: Cynthia Taylor, Senior Administrative Services Officer – Public Works  
Kevin Taber, Road Maintenance Manager – Public Works

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