

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

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: May 26, 2009

SUBJECT: Approve the Award of a Negotiated Blanket Purchase Order to Teichert
Aggregates for Asphalt Concrete Used for Road Maintenance in the Maximum
Amount of \$358,000.00

ACTION REQUESTED

Approve the award of a negotiated blanket purchase order for asphalt concrete used for road maintenance to Teichert Aggregates (Martis Valley) as detailed in Exhibit A, and authorize the Purchasing Manager to sign the resulting blanket purchase order (BPO) in the maximum amount of \$358,000.00.

BACKGROUND

The Department of Public Works' Road Maintenance Division requires annual contracts for asphalt concrete for their road maintenance programs throughout Placer County. On April 21, 2009, your Board awarded competitive Bid No. 9871 to Vulcan Materials for asphalt concrete used for road maintenance projects throughout Western Placer County. No bids were received for the Tahoe City location.

Purchasing Policy Manual (PPM) Section 7.2 allows for the negotiation of blanket purchase orders for operational supplies based on geographic proximity to the County's site of operations. Teichert Aggregates is the only large producer of asphalt concrete products located near the County's road maintenance facility in Tahoe City. Procurement Services successfully negotiated an 11 percent reduction from Teichert's initial quote for the County's annual Tahoe asphalt concrete requirement. Exhibit A contains the negotiated award recommendation. Procurement Services has determined that Teichert Aggregates' pricing is reasonable based on an analysis of the Producer Price Index information for asphalt products.

FISCAL IMPACT

The BPO resulting from this recommendation will be issued to Teichert Aggregates in the maximum amount of \$358,000.00 for the period of May 26, 2009 through March 31, 2010. Department of Public Works' Fiscal Impact Statement is attached.

Exhibit A – Award Summary
Exhibit B – Public Works' Fiscal Impact Statement

cc: Kevin Taber, Public Works
Cynthia Taylor, Public Works

AWARD RECOMMENDATION			
SUBTOTALS BY MATERIAL AND DESTINATION			
<i>Vendor</i>	<i>Product</i>	<i>Destination</i>	<i>Subtotals</i>
Teichert, Truckee	3/8" PG 64-16	Tahoe	\$ 85,200.00
Teichert, Truckee	1/2" PG 64-16	Tahoe	\$ 69,500.00
Teichert, Truckee	3/8" PG 64-28	Tahoe	\$ 96,000.00
Teichert, Truckee	1/2" PG 64-28	Tahoe	\$ 78,500.00
RECOMMENDED AWARD AMOUNT FOR 2009-10 (ROUNDED UP)			
Vendor	Subtotal	Tax	Total
Teichert Aggregates, Truckee	\$ 329,200.00	\$ 29,216.50 8.875%	\$ 358,416.50
TOTAL AWARD AMOUNT			\$ 358,000.00

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors
FROM: Ken Grehm, Director
DATE: **May 26, 2009**
SUBJECT: **Fiscal Impact Statement**
Asphalt Concrete Purchases

The department has budgeted appropriately for this purchase and funding is available in the FY 2008-09 department budget.

