COUNTY AGENDA REQUEST

Department:	Road Department	Presenter(s):	Andy Adams
Meeting Date:	Thursday, February 23, 2012	Type of Request:	New Business

Wording for the Agenda:

Approval of staff's recommendation to approve Bid#819, awarding two separate annual contracts to Seaco, Inc. and to Blackledge Emulsions, Inc., for the purchase of CRS-2h Asphalt Emulsion, in an aggregate amount not to exceed $45,000.

Background/History/Details:

Each year, the Road Department seeks to identify a vendor for the purchase of CRS-2h Asphalt Emulsion to be used throughout the asphalt paving season. Due to the affects that daily and season temperatures have on the product, two contracts are being pursued.

The Purchasing Department issued Invitation to Bid #819 to establish prices for calendar year 2012 for liquid asphalt emulsion for the Road Department. Invitations were direct-mailed to 13 vendors. In addition, invitations were extended via a local newspaper, the county website, Georgia Local Government Access Marketplace, and Channel 23. Three vendors responded to the invitation to bid.

The first contract, recommended to be awarded to Seaco, Inc. will enable the product to be delivered to the Public Works Department in a tanker truck supplied by the vendor. The tanker would remain with the County until empty. This procedure will be used during the warmer months of the paving season. All three responders bid on this first contract.

The second contract, recommended to be awarded to Blacklidge Emulsions, will allow the county to pick up smaller quantities of the product at the vendor's facility using County equipment. This procedure will be utilized mostly in the spring and fall when nighttime temperatures are cooler. Two of the three responders bid on this contract.

What action are you seeking from the Board of Commissioners?

Approval of staff's recommendation to approve Bid #819, awarding two separate annual contracts to Seaco, Inc. and to Blackledge Emulsions, Inc., for the purchase of CRS-2h Asphalt Emulsion, in an aggregate amount not to exceed $45,000.

If this item requires funding, please describe:

Funding for this request is annually budgeted in the Road Department's O&M Budget, as well as in the CIP and SPLOST project accounts.

Has this request been considered within the past two years?	Yes	If so, when?	Thursday, January 13, 2011
Is Audio-Visual Equipment Required for this Request?*	No	Backup Provided with Request?	Yes

**** All audio-visual material must be submitted to the County Clerk's Office no later than 48 hours prior to the meeting. It is also your department's responsibility to ensure all third-party audio-visual material is submitted at least 48 hours in advance.***

Approved by Finance	Yes	Reviewed by Legal	
Approved by Purchasing	Yes	County Clerk's Approval	Yes
Administrator's Approval	Yes		

Staff Notes:

Fayette County GEORGIA

Where Quality Is A Lifestyle

To: Jack Krakeel

From: Ted L. Burgess

Date: February 10, 2012

Subject: Bid #819 – Liquid Asphalt Emulsion

The Purchasing Department issued Invitation to Bid #819 to establish prices for calendar year 2012 for liquid asphalt emulsion for the Road Department. Invitations were direct-mailed to 13 vendors. In addition, invitations were extended via a local newspaper, the county website, Georgia Local Government Access Marketplace (www.glga.org), and Channel 23.

The goal is to award two contracts.

- Contract #1 will be an agreement whereby the vendor would sell the county asphalt emulsion, and deliver it in one of the vendor's tanker trucks. The county would keep the truck until all of the asphalt emulsion was used, and then return it to the vendor. This works well in the summer months when the emulsion stays warm and usable over an extended period.

- Contract #2 will establish prices for the purchase smaller quantities of asphalt emulsion in the spring and summer, when the cooler evening temperatures require that the Road Department to use the product quickly. For these purchases, the county would pick up the asphalt emulsion at the vendor's place of business in county trucks.

Three vendors responded to the invitation to bid. All three responders bid on Contract #1 (Attachment 1), while two of the three bid on Contract #2 (Attachment 2).

The Georgia Department of Transportation publishes the Asphalt Cement Price Index (ACPI), which is updated monthly. The price vendors charge their customers is based on the ACPI. Based on recent ACPI trends and current indicators, the most likely relevant ACPI range during 2012 will be in the $526 - $650 per ton categories (Attachment 3).

For Contract #1, within this relevant range, Seaco, Inc. has a slight advantage with an average bid of $2.054 per gallon. This compares to the Blacklidge Emulsions, Inc. bid which averages $2.060 per gallon in that same range.

In addition, Blacklidge Emulsions' bid includes a couple of provisions which would increase its potential cost. First, their proposal includes a charge of $20 per day for keeping the tanker truck

over 20 days. Last summer, the Road Department kept a tanker for 32 days. If a similar need arises this coming summer, there would be the additional charge for 12 days, for a total of $240 extra cost. Second, Blacklidge's provides that, if their tanker is not returned completely empty, there will be a $1,000.00 charge added to the invoice.

Based on the above considerations, the Road Department has recommended Seaco, Inc. to receive Contract #1.

Contract #2, in which the county would use its own equipment, does not involve any additional charges from Blacklidge Emulsions. Therefore, a comparison between the two bids received is more straight-forward. Based on the two proposals received, the Road Department has recommended Blacklidge for the second contact.

I concur with the Road Department's recommendations.

Attachments (3)

Bid #819 - Asphalt Emulsion

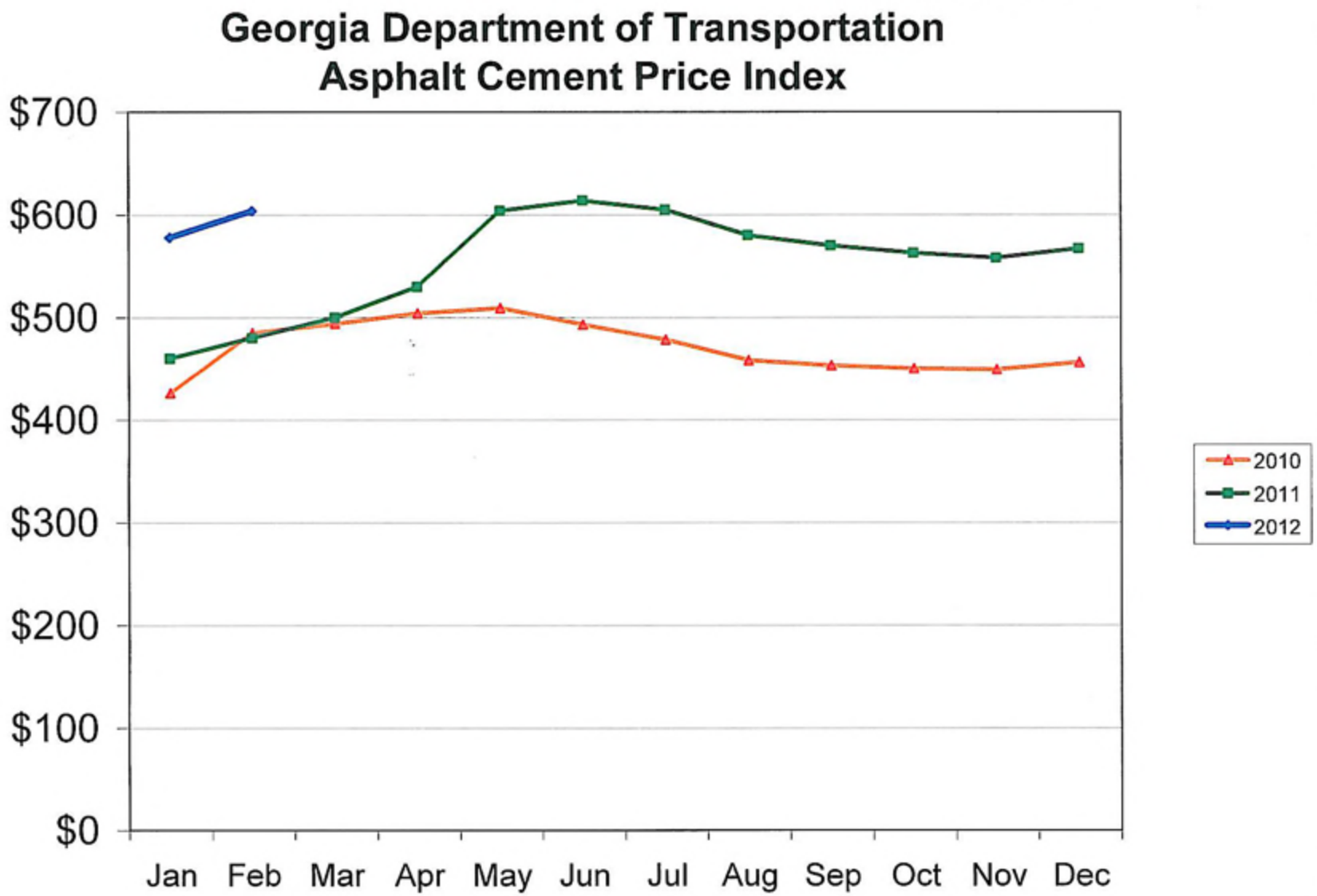
CONTRACT #1 - Product Plus Delivery

CRS-2h Liquid Asphalt Emulsion, Plus Tanker Truck & Deliver

Asphalt Cement Price Index (Avg Price / Ton)	BLACKLIDGE EMULSIONS INC. (Price / Gallon)	SEACO, INC. (Price / Gallon)	SOUTHEAST EMULSIONS (Formerly Georgia Emulsions) (Price / Gallon)
201-225		$0.84	$1.32
226-250		$0.89	$1.39
251-275	$1.14	$0.99	$1.46
276-300	$1.21	$1.07	$1.53
301-325	$1.29	$1.15	$1.58
326-350	$1.36	$1.24	$1.67
351-375	$1.43	$1.31	$1.73
376-400	$1.50	$1.40	$1.81
401-425	$1.57	$1.51	$1.88
426-450	$1.64	$1.60	$1.95
451-475	$1.71	$1.72	$2.02
476-500	$1.78	$1.84	$2.10
501-525	$1.85	$1.88	$2.17
526-550	$1.92	$1.92	$2.24
551-575	$1.99	$1.99	$2.31
576-600	$2.06	$2.08	$2.37
601-625	$2.13	$2.11	$2.45
626-650	$2.20	$2.17	$2.52
651-675	$2.27	$2.20	$2.59
676-700	$2.34	$2.26	$2.66
701-725	$2.41	$2.29	$2.73
726-750	$2.48	$2.40	$2.80
751-775	$2.55	$2.43	$2.88
776-800	$2.62	$2.49	$2.95
801-825	$2.70	$2.59	$3.02
826-850	$2.77	$2.69	$3.09
851-875	$2.84	$2.79	$3.16
876-900	$2.91	$2.89	$3.23
	Exceptions: 1) After 20 days, a rental of $20 per day. 2) $1,000 charge if tanker not returned empty.		Exception: A $.001 Environmental fee is added to each bill. This is billed by number of gallons shipped.

Anticipated Range

Bid #819 - Asphalt Emulsion
Contract #2 - Product Only
CRS-2h Liquid Asphalt Emulsion

Asphalt Cement Price Index (Avg Price / Ton)	BLACKLIDGE EMULSIONS INC. (Price / Gallon)	SEACO, INC. (Price / Gallon)	SOUTHEAST EMULSIONS (Formerly Georgia Emulsions) (Price / Gallon)
201-225			$1.25
226-250			$1.32
251-275	$1.10		$1.39
276-300	$1.17		$1.46
301-325	$1.25		$1.51
326-350	$1.32		$1.60
351-375	$1.39		$1.66
376-400	$1.46		$1.74
401-425	$1.53		$1.81
426-450	$1.60		$1.88
451-475	$1.67		$1.95
476-500	$1.74		$2.03
501-525	$1.81		$2.10
526-550	$1.88		$2.17
551-575	$1.95		$2.24
576-600	$2.02		$2.30
601-625	$2.09		$2.38
626-650	$2.16		$2.45
651-675	$2.23		$2.52
676-700	$2.30		$2.59
701-725	$2.37		$2.66
726-750	$2.44		$2.73
751-775	$2.51		$2.81
776-800	$2.58		$2.88
801-825	$2.66		$2.95
826-850	$2.73		$3.02
851-875	$2.80		$3.09
876-900	$2.87		$3.16
			Exception: A $.001 Environmental fee is added to each bill. This is billed by number of gallons shipped.

Attachment 3