COUNTY AGENDA REQUEST

Department:	Road	Presenter(s):	Andy Adams
Meeting Date:	Thursday, May 24, 2012	Type of Request:	Consent

Wording for the Agenda:

Approval of staff's recommendation to award Bid #832 for dust control on gravel roads to South Eastern Road Treatment, for the application of calcium chloride, in the amount of $2,912 per mile for 15.648 miles, in an amount not to exceed $45,600, and to authorize the Chairman to sign any contract or document contingent the County Attorney's review.

Background/History/Details:

Every year, the Road Department enters into a contract for dust control and stabilization of the county's gravel roads. On March 30, 2012, the Purchasing Department released Invitation to Bid #832 for the application of calcium chloride (or an equivalent product) to 15.648 miles of gravel road. These invitations were directly mailed to 14 contractors and the invitations were also extended via the Fayette Daily News, the county's website, Georgia Local Government Access Marketplace (www.glga.org) and Channel 23.

South Eastern Road Treatment was the only vendor who responded to the bid. Upon receiving only one bid, Purchasing staff contacted the distributor of calcium chloride in this region, and the distributor confirmed that South Eastern Road Treatment is, currently, their only customer for this product.

South Eastern Road Treatment's price per mile has remained relatively stable over time, and when in the past they have had a competitor, the competitor's bid price is substantially higher.

What action are you seeking from the Board of Commissioners?

Approval of staff's request to award Bid #832 for dust control on gravel roads to South Eastern Road Treatment, for the application of calcium chloride, in the amount of $2,912 per mile for 15.648 miles, in an amount not to exceed $45,600, and to authorize the Chairman to sign any contract or document contingent upon the County Attorney's review.

If this item requires funding, please describe:

This request is funded in the Road Department's Operations and Maintenance (O&M) Budget.

Has this request been considered within the past two years?	No	If so, when?	
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	Yes
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: May 10, 2012

Subject: Bid #832 – Dust Control & Road Stabilization

Each year, the Road Department enters into a contract for dust control and stabilization of the county's gravel roads. According to the U.S. Environmental Protection Agency, the benefits of a stabilized road surface include reduced distresses like washboarding and loss of skid resistance, and less need for performing blade maintenance. Chlorides are the most commonly used products across the U.S. for this purpose.

On March 30, 2012 the Purchasing Department released Invitation to Bid #832. It requested bid prices for the application of calcium chloride to 15.648 miles of gravel roads (an addendum clarified that a product equivalent to calcium chloride would be acceptable). Invitations were direct-mailed to 14 contractors. In addition, invitations were extended via the Fayette News, the county website, Georgia Local Government Access Marketplace (www.glga.org), and Channel 23.

One contractor, South Eastern Road Treatment, responded to the invitation to bid. The company has been a consistent bidder over time for this work. Over the last three years, two other contractors have submitted bids – B&B Oil Company and Wright's Hydroseeding. In the past, B&B Oil Company had offered calcium chloride but discontinued its use, they say, because they could not compete with the price offered by South Eastern Road Treatment. B&B currently offers a treatment product called Ultra Bond, but it is approximately twice the cost of calcium chloride.

For work done in 2011, Wright's Hydroseeding had submitted a bid for calcium chloride treatment, but it was 5.6 times the cost of South Eastern Road Treatment's bid.

Upon receiving only one bid for the current work, Purchasing staff contacted the distributor of calcium chloride in this region. The distributor confirmed that South Eastern Road Treatment is currently their only customer for this product.

South Eastern Road Treatment's price per mile of treatment has remained relatively stable over time. For example, it was $2,745.60 per mile in 2009 and 2010, $2,534.47 per mile in 2011, and bid at $2,912.00 for 2012. When they have had competition, their competitors' prices were significantly higher (please see attached spread sheet).

The Road Department recommends awarding the bid to South Eastern Road Treatment. I concur with their recommendation.

Attachment

Fayette County, Georgia
Dust Control & Road Stabilization Treatment

Calendar Year	Bid #	Vendor	Product	Bid Price Per Mile
2009	675	South Eastern Road Treatment	Calcium Chloride	$2,745.60
		B&B Oil Company	Calcium Chloride	4,071.51
2010	751	South Eastern Road Treatment	Calcium Chloride	2,745.60
		B&B Oil Company	Ultra Bond	5,702.40
2011	787	South Eastern Road Treatment	Calcium Chloride	2,534.47
		Wright's Hydroseeding	Calcium Chloride	14,293.20
2012	832	South Eastern Road Treatment	Calcium Chloride	2,912.00