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COUNTY DEPARTMENT AGENDA REQUEST

Department/Division: Road Department

Department Head: Zack Taylor

Presenter, if needed: Phil Mallon

Preferred Meeting Date: Thursday, August 14, 2008

Wording for the Agenda:

Approval of staff's recommendation to award the annual contract for asphalt (Bid #671) to The Lions Group Paving with alternative award to E.R. Snell Contractor, Inc., Tyrone Plant.

Background/History/Details:

This contract is used to procure various asphalt mixes during the paving season. The Lions Group Paving, Forest Park, provided the lowest dollar per ton range of prices. E.R. Snell Contractor, Tyrone, is recommended as the alternative because the lower transportation costs from the Tyrone plant to certain job sites offsets the higher dollar per ton unit of the asphalt. Additional information on the bid evaluation process is provided in the attached memo.

What action are you seeking from the Board of Commissioners?

For the Board of Commissioners to award Bid #671, annual asphalt contract, to The Lions Group Paving in Forest Park with alternate award to E.R. Snell, Tyrone.

If this item requires funding, please describe:

Funding for the asphalt is budgeted annually, in the Road Department's O&M line item 531171.

Has this issue come before the Commissioners in the past? Yes

If so, when? Thursday, April 10, 2008

Do you need audio-visual for the presentation? No

Back-up Material Submitted? Yes

STAFF USE ONLY

Approved by Finance? Yes

Reviewed by Legal? Yes

Approved by Purchasing? Yes

Approved by Administrative Staff? Yes

Staff Notes

Administrator's Approval Yes

Confirmed Meeting Date Thursday, August 14, 2008

- ○ Recognition/ Presentation
- ○ Public Hearing
- ○ Old Business
- ○ New Business
- ◉ Consent
- ○ Report
- ○ Other

Fayette County GEORGIA

Where Quality Is A Lifestyle

To: Purchasing Department

From: Phil Mallon, Public Works

Date: August 6, 2008

Subject: Recommendation for Bid # 671, Asphalt Pricing

Public Works has reviewed the pricing sheets submitted in response to Bid # 671 and recommends that the contract be awarded to The Lions Group Paving and that an alternate be awarded to E.R. Snell Contractor Inc., Tyrone Plant.

This contract was bid with unit prices as a function of the Georgia Department of Transportation Asphalt Cement Price Index (ACPI). To evaluate the bids, the total projected cost to the County was determined using the estimated quantities and mix designs listed in the bid documents for each of the ACPI values. **Performing this analysis shows that The Lions Group Paving has the lowest cost for all ACPI values between $501/ton and $900/ton and E.R. Snell has the lowest cost among the plants located in Tyrone.** The County's existing contract for asphalt will be used for ACPI values less than $501/ton. Since the ACPI index values are not posted until several days into each month, Public Works will have to guess if the index will be above or below $501/ton when placing orders before the index is updated for each month. For reference, the July ACPI is $583/ton.

Of the five plants submitting bids, three are located in Forest Park and thus hauling costs are similar for each plant. The two plants in Tyrone have higher dollar per ton rates (as compared to The Lions Group Paving) but are closer to many projects within Fayette County. To determine the cost of additional haul distances, a table was developed that accounts for truck maintenance, fuel, and operator time (labor). These factors were converted to a $/(ton)(mile) basis allowing for a mileage-based comparison between the Forest Park and Tyrone plants. Because the comparison includes several variables (e.g., distance, asphalt mix, and ACPI) there is not a simple answer on when the decreased travel distances offsets the higher unit prices at the Tyrone plant. Each project will be evaluated using the spreadsheet to determine the overall cheapest source of asphalt. In addition, the Tyrone plant may be used if doing so avoids the need for overtime pay of County truck drivers and/or contract hauling.

Truck maintenance, fuel and labor data are based on data tracked by Fleet Maintenance for nine of the Road Department trucks between April 1, 2007 and August 31, 2007 (fuel costs have been adjusted to current costs). Data supporting these calculations as well as other factors used in this bid evaluation are available upon request.

Fayette County
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Where Quality Is A Lifestyle

To: Jack Krakeel

CC: Phil Mallon
Zack Taylor

From: Tim Jones TJ

Date: August 5, 2008

Subject: Asphalt Recommendation

Sealed bids were requested for the subject item. A bid talley sheet is attached for your review.

Companies were requested to bid based on Georgia Department of Transportation Asphalt Cement Price Index.

In Phil Mallon's attached recommendation, The Lion's Group Paving was recommended as the primary supplier, and E. R. Snell Contractor, Inc., Tyrone Plant was recommended as the alternate supplier. I concur with the recommendation.

If this recommendation meets your approval, please place this item on the next available consent agenda. If any additional information is needed, please let me know.

TJ/tcb