April 5, 2013

To: ACHD Commission
   Bruce Wong, Director

From: Paul Daigle
      Deputy Director - Maintenance

Subject: Propane and Related Equipment Requirement – Statewide Blanket Purchase Order (SBPO 1317-03) Propane - Piggyback Purchase

Agenda Date: April 24th 2013

Facts and Findings:
In 2012 ACHD Maintenance and Traffic Operations use a combined total of approximately 5,000 gallons of propane from various sources at a price ranging from $3.00 to $3.25 per gallon at a total cost of $15,291.00

Idaho Code 67-2803(1) allows agencies to “piggyback” on the acquisition of personal property when the procurement duplicates the price and substance of a contract for like goods that has been competitively bid by the state of Idaho, one of its political subdivisions or an agency of the federal government.

The State of Idaho Purchasing Division awarded Amergas the Statewide Blanket Purchase Order for the period of performance from September 1, 2012, - August 31, 2013 with an additional option to exercise additional years. Our piggyback of the State Contract will deliver gas to ACHD for $1.11 per gallon which will be a cost savings of approximately $10,000.00.

Staff proposes that ACHD purchase Propane from Amergas as authorized by Idaho Code 67-2803(1) for FY2013, and has prepared the proposed Purchase Agreement.

The proposed Purchase Agreement and Staff Memorandum were reviewed by ACHD Legal Staff and have been approved to go to Commission.

Fiscal Impacts:
None. Maintenance has budgeted sufficient funds in the FY2013 budget for this requirement.

Staff Recommendation:
Staff recommends the ACHD Commission approve Purchase Agreement with the Idaho State Blanket Purchase Order SBPO1317-03 for FY2013 for the not to exceed an amount of $20,000.00.

cc: Paul Daigle, Maintenance Deputy Director