July 25, 2016

To: ACHD Commission  
    Bruce Wong, Director

From: Tim Nicholson, Maintenance Manager

Subject: 2017 Liquid Asphalt Material MD-383 Piggyback Purchase Agreement

Agenda Date: September 7, 2016

Facts and Findings:
Idaho Code Section 67-2803(1) allows ACHD to make a piggyback procurement when the procurement duplicates the price and substance of a contract for like goods or services that was competitively bid by the state of Idaho or one of its political subdivisions.

On November 4, 2015, ACHD formally opened the bids for 2016 Liquid Asphalt Material MD-328 Procurement. Two firms obtained the Invitation to Bid from the ACHD Contract Administration Office and ACHD received bids from both firms. The proposal was reviewed by the Contract Administration Office to insure compliance with Idaho law and ACHD Policy. Western States Asphalt was determined to be the low cost, responsive bidder and a contract was awarded to Western States Asphalt for 2016 Liquid Asphalt Material MD-328.

The Maintenance Department conducted market research with local vendors to determine the current market price for liquid asphalt and found that with the rising oil prices there would be a corresponding increase in prices and that it would be best to lock in for last year’s pricing; thus saving ACHD money.

Based on superior performance and cost, Western States Asphalt’s pricing is the best market value for ACHD. Western States Asphalt has agreed to match the scope and unit pricing of the 2016 Liquid Asphalt Material MD-328 Purchase Agreement for the 2017 Liquid Asphalt Material MD-383 Purchase Agreement.

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<thead>
<tr>
<th>Liquid Asphalt Material</th>
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<tbody>
<tr>
<td>Piggyback Cost</td>
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<td>Current Market Cost</td>
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<td>Piggyback Cost Savings</td>
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The Staff Report and Service Agreement were reviewed by the ACHD Legal Staff and were approved to go to Commission.

Fiscal Impacts:

Staff Recommendation:
Staff recommends the ACHD Commission approve the 2017 Liquid Asphalt Material MD-383 Piggyback Purchase Agreement with Western States Asphalt of the 2016 Liquid Asphalt Material MD-328 Purchase Agreement with Western States Asphalt. The contract amount will not exceed $3,500,000.

cc: Timothy R Morgan, Maintenance Deputy Director