



TO: Board of Contracts and Awards
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *KDK*
 Rae Bailey, Division Manager, Public Works Street Operations
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
 Samol Hefley, Finance/Purchasing
SUBJECT: Specification No. PW17-0046F; Hot Mix Asphalt Aggregate Blend – May 2, 2017
DATE: April 14, 2017

SUMMARY:

The Public Works Department recommends a contract be awarded to Dickson Company, Tacoma, WA, in the amount of \$282,750, plus a 10 percent contingency, for a total of \$311,025, plus applicable sales tax, for an initial contract term of one year, plus four additional one-year renewal options, for a projected cumulative contract amount of \$1,651,273.97, plus applicable sales tax, budgeted from the Asphalt Plant Fund 5453, for the purchase of hot mix asphalt aggregate blend.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.

The hot mix asphalt (HMA) aggregate blend will be used in the production of HMA utilizing recycled asphalt product and recycled asphalt shingles on an as-needed basis by the Public Works Street Operations Division (Street Operations) for street repair and the residential street paving programs.

BACKGROUND:

ISSUE: Street Operations produces 10,000 to 15,000 tons of HMA mix per year. It is used for making permanent pothole repairs, replacing deteriorated street pavement surfaces and for the City’s residential street paving program, which overlays approximately 80 residential blocks per year. The HMA aggregate blend purchased through this contract will be used to manufacture HMA utilizing recycled asphalt product and recycled asphalt shingles.

ALTERNATIVES: With no contract in place, Street Operations will not manufacture HMA utilizing recycled asphalt product and recycled asphalt shingles.

COMPETITIVE SOLICITATION: Competitive bidding was conducted through the Request for Bids process. Specification No. PW17-0046F was opened March 14, 2017. Seven companies were invited to bid in addition to normal advertising of the project. One submittal was received. Dickson Company provided the low bid for the HMA Aggregate blend.

| <u>Respondent</u> | <u>Location (city and state)</u> | <u>Submittal Amount</u> |
|-------------------|----------------------------------|-------------------------|
| Dickson Company | Tacoma, WA | \$282,750.00 |

Pre-bid Estimate: \$1,270,210.74 (All five years)

The recommended award is 18 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The aggregate blend will be used in the production of HMA utilizing recycled asphalt product and recycled asphalt shingles which will be used in the street repair and residential street paving programs and reduce the amount of asphalt product and asphalt shingles from entering the waste



stream. These types of improvements and maintenance will enhance safety for vehicular and pedestrian traffic.

SBE/LEAP COMPLIANCE: Not Applicable.

RECOMMENDATION:

The Public Works Department recommends a contract be awarded to Dickson Company, Tacoma, WA, in the amount of \$282,750, plus a 10 percent contingency, for a total of \$311,025, plus applicable sales tax, for an initial contract term of one year, plus four additional one-year renewal options, for a projected cumulative contract amount of \$1,651,273.97, plus applicable sales tax, budgeted from the Asphalt Plant Fund 5453, for the purchase of hot mix asphalt aggregate blend.

FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|----------------------------|--------------|-----------------------|
| 5453 Asphalt Plant | 490100 | 5220100 | \$1,651,273.97 |
| | | | |
| TOTAL | | | \$1,651,273.97 |

* General Fund: Include Department

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|------------------------|----------------------------|--------------|-----------------------|
| Asphalt Plant Revenues | 490100 | Various | \$1,651,273.97 |
| | | | |
| TOTAL | | | \$1,651,273.97 |

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$622,050, plus applicable sales tax.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED: N/A

FINANCE PURCHASING
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