



City of Tacoma

PUB Resolution No.: _____

City Council Resolution No.: _____

**Contract and Award Letter
Purchase Resolution —Exhibit "A"**

TO: Board of Contracts and Awards

FROM: Andy Cherullo, Director, Finance Department
Patsy Best, Procurement and Payables Division Manager, Finance Department

COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager, City Clerk, EIC Coordinator, LEAP Coordinator, and Tad Carlson, Purchasing Manager, Finance Department.

SUBJECT: Citywide – Asphalt and Concrete Paving and Associated Services
Request for Bids Specification No. CT23-0087F, Contract No. CW2260713 –
October 25, 2023 Public Utility Board and October 31, 2023 City Council

DATE: October 5, 2023

RECOMMENDATION SUMMARY:

The Finance Department recommends a contract be awarded to AA Asphaltting, LLC, Sumner, WA, in the amount of \$5,783,216.00, plus 15 percent contingency, plus applicable taxes, budgeted from various funds, for an initial contract term of three years, with the option to renew for one additional one-year term, for a projected contract amount of \$6,650,698.40, for on-call asphalt and concrete paving and associated services.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

This citywide contract provides for as-needed general street repair services and street and sidewalk repairs due to utility cuts and incidental pavement restoration for multiple city departments including Tacoma Water, Tacoma Power, Environmental Services and Public Works. The individual repairs generally do not exceed \$35,000.00. Combining individual department needs allows the city to leverage its purchasing power and having a single contract in place affords the city agility in responding to unpredictable needs.

ISSUE: The existing contract for these services will expire at the end of the year and the absence of a contract would be highly disruptive to the operations of user departments.

ALTERNATIVES: Extending the existing contract is not an option as RCW places a limit on the term of such contracts so the only alternative would be to not have a contract in place. This option would result in each project needing to be individually bid and result in slower project completions and higher costs.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. CT23-0087F was opened August 29, 2023. One hundred eighty-six companies were invited to bid in addition to normal advertising of the project. Three submittals were received.



AA Asphaltting, LLC submitted a bid that resulted in the lowest evaluated submittal after consideration of Equity in Contracting participation goals. The table below reflects the amount of the base award.

<u>Respondent</u>	<u>Location</u>	<u>Submittal Amount</u>	<u>Evaluated Submittal</u>
AA Asphaltting, LLC	Sumner, WA	\$5,783,216.00	\$5,783,216.00
Asphalt Patch Systems, Inc	Puyallup, WA	\$6,494,777.00	\$6,494,777.00
Flagstone Construction LLC	Sumner, WA	\$6,952,650.00	\$6,952,650.00

Pre-bid Estimate: \$1,500,000.00 - \$2,000,000.00 annually, for a contract total over the three years of \$4,500,000.00 - \$6,000,000.00.

The recommended award is aligned with the pre-bid estimate.

CONTRACT HISTORY: New Contract

SUSTAINABILITY: The City’s Sustainable Procurement Policy and Climate Action Plan were included in the specifications.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: The recommended contractor is in compliance with the EIC requirements per memorandum dated September 1, 2023. The EIC requirements for this project are (MBE 10 percent, WBE nine percent and SBE 19 percent). The EIC utilization levels of the recommended contractor, AA Asphaltting, LLC, Sumner, WA, are (MBE 19.06 percent, WBE 10.37 percent, and SBE 19.06 percent).

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: The LEAP requirements for this project are 15 percent of the project labor hours must be worked by Local Employees and an additional 15 percent of the labor hours must be worked by Apprentices, per TMC 1.90.040.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various	Various		\$6,650,698.40
TOTAL			Up to \$6,650,698.40

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various	Various		(\$6,650,698.40)
TOTAL			Up to (\$6,650,698.40)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Approximately \$1,700,000.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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