



TO: Board of Contracts and Awards
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer / *KDK*
John Gaddis, Assistant Division Manager, Public Works Street Operations
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Doreen Klaaskate, Finance/Purchasing
SUBJECT: Specification No. PW18-0264F; Crushed and Natural Aggregate – August 7, 2018
DATE: July 20, 2018

RECOMMENDATION SUMMARY:

The Public Works Department recommends a contract be awarded to Dickson Company, Tacoma, WA, for the purchase of crushed and natural aggregate materials on an as-needed basis, in the amount of \$361,500, plus 10 percent contingency, for a total of \$397,650, plus any applicable taxes, for an initial contract term of one year with the option to renew for four years, for a projected cumulative contract amount of \$2,197,267.27.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The crushed and natural aggregate will be used for street repair, the residential street paving program, and alley maintenance on an as-needed basis by Public Works Street Operations Division (Street Operations).

BACKGROUND:

Street Operations performs various street maintenance activities such as permanent repair of streets and alley maintenance. The crushed and natural aggregate will be used in the maintenance of the City’s street and alley system.

ISSUE: The City’s streets are in need of repair. In order to properly repair and maintain the City’s street system, Street Operations must remove and replace structurally deficient subgrade and asphalt and replace it with new subgrade material and asphalt. The City’s alley system is primarily comprised of gravel and periodically additional crushed aggregate needs to be added and regraded to eliminate potholes and to ensure proper stormwater drainage.

ALTERNATIVES: If the crushed and natural aggregate contract is not approved, Street Operation’s staff would be prevented from repairing the City’s streets and alley system.

COMPETITIVE SOLICITATION:

Request for Bids PW18-0264F was opened July 17, 2018. Eight companies were invited to bid in addition to normal advertising of the project. Two proposals were received. The contract award is based on the lowest delivered price with fixed maximum percentage increases for subsequent years.

Dickson Company submitted a bid that resulted in the lowest submittal. The table below reflects the amount of the initial contract term.



<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u>
Dickson Company	Tacoma, WA	\$361,500
Washington Rock Quarries Inc	Graham, WA	\$331,500*

Pre-bid Estimate: \$2,184,003.27 (All five years)

The recommended award is 8.54 percent below the pre-bid estimate.

*Vendor bid only on 2 bid items (base course crushed surfacing and top course crushed surfacing).
Dickson Company bid on all 4 items (base course crushed surfacing, top course crushed surfacing, base course recycled crushed surfacing, and top course recycled crush surfacing) and proposed lower unit prices.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Both companies indicated they look for opportunities to recycle and reuse whenever possible. Dickson Company’s inert waste landfill in Pierce County has reduced the amount of construction debris placed in landfills and their recycling of concrete and asphalt for use in future construction projects minimizes the depletion of the area’s natural occurring aggregates.

SBE/LEAP COMPLIANCE: Not applicable

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5453 Asphalt Plant	490100	5220100	\$2,197,267.27
TOTAL			\$2,197,267.27

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5453 Asphalt Plant	Various	Various	\$2,197,267.27
TOTAL			\$2,197,267.27

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$271,125

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes