



TO: Board of Contracts and Awards
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *1/10/17*
Rae Bailey, Division Manager, Public Works Street Operations
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Chuck Blankenship, Finance/Purchasing
SUBJECT: Specification No. PW17-0017F; Asphalt Pre-Coated Crushed Screening Material –
March 21, 2017
DATE: February 27, 2017

SUMMARY:

The Public Works Department recommends a contract be awarded to Puget Paving & Construction, Inc., Lakewood, WA, in the amount of \$3,025.00, plus a 15 percent contingency, for a total amount of \$3,478.75, plus applicable sales tax; and Tucci & Sons, Inc., Tacoma, WA, in the amount of \$147,402.00, plus a 15 percent contingency, for a total amount of \$169,512.30, plus applicable sales tax, for one-year terms, with the option to renew both contracts for four additional one-year terms, for projected contract amounts of \$17,393.75 and \$847,561.50, respectively, for a cumulative total of \$864,955.25, plus applicable sales tax, budgeted from the 1065 PW Street Fund and the 1085 Streets Initiative Funds, for the purchase of asphalt pre coated crushed screening materials.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.

Chip seal rock is used in the Public Works Street Operations Division’s (Street Operations) surface treatment program to extend the life of the various city streets by seven to ten years.

BACKGROUND:

ISSUE: Street Operations uses three different sizes of pre-coated chip rock for the surface treatment program, which applies surface treatments to approximately 230 blocks of residential streets and 7.5 lane miles of arterial streets per year. Applying surface treatments to streets that are in at least fair condition prolongs the useful life of street surfaces by seven to ten years.

ALTERNATIVES: Street Operations could manufacture pre-coated chip rock using the City’s Asphalt Plant; however, the increase in residential paving work associated with passage of two Streets Initiatives (Proposition A and Proposition No. 3) would require manufacture of the pre-coated chip rock on Saturdays and Sundays. This would substantially increase the cost.

COMPETITIVE SOLICITATION: Competitive bidding was conducted through the Request for Bids process. Specification No. PW17-0017F was opened February 21, 2017. Four companies were invited to bid in addition to normal advertising of the project. Three submittals were received. Puget Paving & Construction, Inc. and Tucci & Sons, Inc. provided the low bids for all three sizes of pre-coated chip rock.



| <u>Respondent</u> | <u>Location (city and state)</u> | <u>Awarded Item Numbers</u> | <u>Initial Award Amount</u> |
|--|----------------------------------|-----------------------------|-----------------------------|
| Tucci & Sons, Inc. | Tacoma, WA | 1,2 | \$147,402.00 |
| Puget Paving & Construction, Inc. | Lakewood, WA | 3 | \$3,025.00 |
| Granite Construction | Everett, WA | | \$188,778.00 |

Pre-bid Estimate: \$1,083,000.00 (five year total)
The recommended award is 30.6 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The chip seal rock will be used in rehabilitation of residential streets. 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 Puget Paving & Construction, Inc., Lakewood, WA, in the amount of \$3,025.00, plus a 15 percent contingency for a total amount of \$3,478.75, plus applicable sales tax; and Tucci & Sons, Inc., Tacoma, WA, in the amount of \$147,402.00, plus a 15 percent contingency, for a total amount of \$169,512.3, plus applicable sales tax for one-year terms, with the option to renew both contracts for four additional one-year terms, for projected contract amounts of \$17,393.75 and \$847,561.50, respectively, for a cumulative total of \$864,955.25, plus applicable sales tax, budgeted from the 1065 PW Street Fund and the 1085 Streets Initiative Funds, for the purchase of asphalt pre coated crushed screening materials.

FISCAL IMPACT:

EXPENDITURES:

| FUND NUMBER & FUND NAME * | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT * |
|--------------------------------------|-----------------------------------|---------------------|-----------------------|
| 1065 PW Street Fund | 662424 | 5220100 | \$172,991.05 |
| 1085 Streets Initiative Fund | 663025 | 5220100 | \$691,964.20 |
| TOTAL | | | \$864,955.25 |

* Plus applicable sales tax

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|-----------------------------|-----------------------------------|---------------------|---------------------|
| Street Fund Revenues | 662424 | Various | \$172,991.05 |
| Streets Initiative Revenues | 663020 | Various | \$691,964.20 |
| TOTAL | | | \$864,955.25 |



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$345,982.10 (including a 15 percent contingency), 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