



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
 Chuck Blankenship, Finance/Purchasing
SUBJECT: Specification No. PW15-0058F; HMA Aggregate Blend – March 31, 2015
DATE: March 13, 2015

SUMMARY:

The Public Works Department recommends a contract be awarded to Wm. Dickson Co., Tacoma, WA, in the amount of \$132,050, plus applicable sales tax, budgeted from the Asphalt Plant Fund 5453, for the purchase of Hot Mix Asphalt (HMA) Aggregate blend, for an initial contract term of one year plus four additional one-year renewal options, for a projected contract amount of \$660,250, plus applicable sales tax. The expected initial contract period is April 1, 2015 through March 31, 2016.

STRATEGIC POLICY PRIORITY:

- Plan for and improve public infrastructure that meets the transportation needs of all Tacoma residents and visitors.

The HMA aggregate blend will be used in the production of HMA at the City’s asphalt plant on an as-needed basis by Public Works Street Operations Division (Street Operations) for street repair and the residential street paving programs.

BACKGROUND: Street Operations produces 8,000 to 10,000 tons of HMA mix per year. The HMA is used for making permanent pothole repairs, replacing deteriorated street pavement surfaces and for the City’s residential street paving program, which overlays approximately 40 residential blocks per year. The HMA aggregate blend purchased through this contract will be used to manufacture HMA.

ISSUE: HMA is used for making permanent pothole repairs, replacing deteriorated street pavement surfaces and for the City’s residential street paving program, which overlays approximately 40 residential blocks per year.

ALTERNATIVES: With no contract in place, Street Operations could potentially pay an inflated price for the HMA used for the street repair and street paving program. If we are unable to produce HMA, the City’s asphalt plant would close, greatly impacting the ability of Street Operations to efficiently maintain the City’s street system in a fiscally sustainable manner.

COMPETITIVE SOLICITATION: Competitive bidding was conducted through the Request for Bids process. Specification No. PW15-0058F was opened February 17, 2015. Five companies were invited to bid in addition to normal advertising of the project. Two submittals were received. Wm. Dickson Co. provided the low bid for the HMA Aggregate blend.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>
Wm. Dickson Co.	Tacoma, WA	\$132,050.00
Pyramid Materials, Inc.	Renton, WA	\$266,000.00

Pre-bid Estimate: \$ 150,000 per year

The recommended award is 8.8 percent below the pre-bid estimate.



CONTRACT HISTORY: New contract.

SUSTAINABILITY: The aggregate blend will be used in the production of HMA, which will be used in the street repair and residential street paving programs. These types of improvements/maintenance will enhance safety for vehicular and pedestrian traffic.

SBE/LEAP COMPLIANCE: The recommended contractor is in compliance with the Small Business Enterprise (SBE) regulation requirements per memorandum dated March 12, 2015. This project has been designated as a single trade project. The Local Employment and Apprenticeship Training Program (LEAP) goal is: not applicable.

RECOMMENDATION:

The Public Works Department recommends a contract be awarded to Wm. Dickson Co., Tacoma, WA, in the amount of \$132,050, plus applicable sales tax, budgeted from the Asphalt Plant Fund 5453, for the purchase of Hot Mix Asphalt (HMA) Aggregate blend, for an initial contract term of one year plus four additional one-year renewal options, for a projected contract amount of \$660,250, plus applicable sales tax. The expected initial contract period is April 1, 2015 through March 31, 2016.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT *
Asphalt Plant Fund 5453	490100	5220100	\$132,050
TOTAL			\$132,050

* Plus applicable sales tax

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Asphalt Plant Fund 5453	490100	5900000	\$132,050
TOTAL			\$132,050

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$264,100, 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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