



TO: Board of Contracts and Awards
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *[Signature]*
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: Increase for Procurement of Asphalt Paving Mix
Request for Quotation Specification No. PW14-0328N, SAP Contract No. 4600010021 –
September 27, 2016
DATE: September 12, 2016

SUMMARY:

The Public Works Department requests approval to increase SAP Contract No. 4600010021 with Tucci & Sons, Inc., Tacoma, WA, by \$468,500, for a total contract amount of \$667,500, plus applicable sales tax, for procurement of asphalt paving mix for various street maintenance programs such as the residential street paving program, arterial street maintenance program, and the permanent pavement repair program.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The asphalt paving mix will be used in the maintenance of the City’s street system for such street maintenance programs as the residential street paving program, arterial street maintenance program, and the permanent pavement repair program. The asphalt paving mix will be on an as-needed basis by the Public Works Street Operations Division (Street Operations).

BACKGROUND:

ISSUE: Asphalt paving mix is used to repair deteriorated asphaltic concrete streets throughout the City. City crews use asphalt paving mix to permanently repair potholes, perform wheel path and lane replacements on arterial and residential streets, and grind and overlays of residential streets through the residential street paving program.

ALTERNATIVES: The alternative course of action would be to only use asphalt paving mix manufactured from the City’s asphalt plant, which cannot produce the quantity of asphalt mix required to meet all of Street Operations maintenance needs. Another alternative would be to terminate the existing contract and solicit new bid proposals. Both of these alternatives would prohibit Street Operations’ ability to meet its Level of Services requirements of the Transportation Benefit District and Street Initiatives.

COMPETITIVE SOLICITATION: This contract was originally awarded to Tucci & Sons, Inc., on June 20, 2014, as a result of Request for Quotation Specification No. PW14-0328N. The contractor has agreed to increase the contract at the same prices, terms, and conditions as the original contract.

CONTRACT HISTORY: The original contract was for one year with an option to renew the contract for three additional one-year periods. The original contract also estimated procurement of 600 tons of asphalt mix per year and was for \$31,500.00 plus applicable sales tax. The City has increased the contract three times for a revised contract value of \$199,000, plus applicable sales tax. The City has also extended it



twice for a revised completion date of July 1, 2017. With passage of the Street’s Initiative, the City estimates it will need an additional 8,520 tons of asphalt from Tucci & Sons, Inc., through the duration of the contract.

RECOMMENDATION:

The Public Works Department requests approval to increase Contract No. 4600010021 with Tucci & Sons, Inc., of Tacoma, WA, by \$468,500, for a total contract amount of \$667,500, plus applicable sales tax, for procurement of asphalt paving mix for various street maintenance programs such as the residential street paving program, arterial street maintenance program, and the permanent pavement repair program.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1065 – Street Fund	662424	5220100	\$234,250
1085 – Streets Initiative Fund	663025	5319998	\$234,250
TOTAL			\$468,500

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Street Fund Revenues	662420	Various	\$234,250
Streets Initiative Revenues	663020	Various	\$234,250
TOTAL			\$468,500

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$156,000

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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