



TO: T.C. Broadnax, City Manager
FROM: Michael P. Slevin III, P.E., Director, Environmental Services *MPS*
Geoffrey M. Smyth, P.E., Division Manager, Science & Engineering
COPY: City Council and City Clerk
SUBJECT: Increase contract with Pease and Sons for the Street Maintenance Asphalt Plant
RAP/RAS Project, Request for Bids ES13-0453F, Contract No. 4600009389 – April 22,
2014
DATE: April 7, 2014

SUMMARY: The Environmental Services, Science and Engineering Division recommends an increase to Contract No. 4600009389 with Pease & Sons, Inc., in the amount of \$115,000, plus applicable sales tax, for a cumulative contract total of \$639,363.40, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to increase the contract for additional work and required modifications for the Street Maintenance Asphalt Plant Recycled Asphalt Pavement (RAP)/Recycled Asphalt Shingles (RAS) project.

STRATEGIC POLICY PRIORITY:

- Strengthen and maintain a strong fiscal management position.
- Foster neighborhood, community, and economic development vitality and sustainability.

The City of Tacoma, in partnership with the Washington State Department of Ecology, is modifying our Asphalt Batch Plant to use RAP and RAS to produce pavement for use by the Streets Operation Division. Using recycled products in our asphalt reduces the cost of producing asphalt and eliminates the disposal costs of these materials. These modifications include construction of a covered storage facility for placing the recycled and feedstock materials, keeping them dry and reducing the energy required to dry the pavement and shingles during wet weather, and will prevent runoff of water to the storm or sewer system.

BACKGROUND: The contract has incurred additional costs to address work items and issues that were not identified in the original contract documents. The additional work items and issues are attributed to the following: increased footing sizes, structural steel modifications and anchor bolt revisions, and anchors to address comments by Planning and Development Services Department review; electrical conduits and wiring; additional piping for air supply and ventilation duct for the conveyor equipment; and modifications to existing storm appurtenances and pavement. Other changes and additions were necessary to accommodate unforeseen site conditions and provide a complete and properly operating system for the recycling of the asphalt pavement and shingles.

ALTERNATIVES: The additional items are needed to complete the installation of the plant modification and begin operation of the plant in time for this year’s construction schedule. One alternative is to cancel the project and abandon or delay the use of recycled materials in the asphalt pavement produced by the plant. The additional work could also be completed under a separate contract. Putting the added work out for bid would also delay the completion of the project and increase administrative and mobilization costs. It also would impact the ability of the Asphalt Plant to operate to meet with its paving schedule this year. Partial funding has been provided for this project through a Department of Ecology Grant. The grant has must be expended by June 30, 2015.



COMPETITIVE SOLICITATION: This contract was originally awarded to Pease & Sons, Inc. as a result of Request for Bids Specification No. ES13-0453F in November 2013. Five submittals were received through the City’s formal bidding process. Pease & Sons, Inc. submitted a bid that resulted in the lowest evaluated submittal after consideration of SBE participation goals.

CONTRACT HISTORY: The original contract was approved by Resolution No. 38776 on November 19, 2013, in the amount of \$476,694.00, plus applicable sales tax, plus a 10 percent contingency for a cumulative total of \$524,363.40, budgeted from the Solid Waste Fund 4200, for the construction of a material storage facility and the installation of a conveyor system for RAP and RAS. This increase of \$115,000.00 will bring the contract to a cumulative total of \$639,363.40, plus applicable sales tax.

RECOMMENDATION: Staff recommends authorizing an increase to the agreement with Pease & Sons, Inc., in the amount \$115,000.00, plus applicable sales tax, for a cumulative total of \$639,363.40, budgeted from the ES Solid Waste Fund 4200, to increase the contract for additional work and required modifications for the Street Maintenance Asphalt Plant RAP/RAS Project.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-02009-01	5330100	\$639,363.40
TOTAL			\$639,363.40

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-02009-01	5330100	\$639,363.40
TOTAL			\$639,363.40

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$639,363.40

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes