



**TO:** Board of Contracts and Awards  
**FROM:** Rae Bailey, Division Manager, Public Works Street Operations  
 Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *KDK*  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and  
 Doreen Klaaskate, Finance/Purchasing  
**SUBJECT:** Specification No. PW17-0392F; HMA Aggregate – November 28, 2017  
**DATE:** November 2, 2017

**SUMMARY:**

The Public Works Department recommends a contract be awarded to Mountain Stone Aggregate, LLC, Chehalis, WA, in the amount of \$283,350.00, plus a 10 percent contingency, for a total of \$311,685.00, plus applicable sales tax, for an initial contract term of one year, plus four additional one-year renewal options, for a projected cumulative contract amount of \$1,654,777.99, plus applicable sales tax, budgeted from the Asphalt Plant Fund 5453, for the purchase of HMA Aggregate.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.

The HMA (hot mix asphalt) aggregate will be used in the manufacturing of HMA for the City of Tacoma Street Operations Division for street repair and the residential street paving programs.

**BACKGROUND:**

ISSUE: Street Operations produces 10,000 to 15,000 tons of HMA mix per year. HMA is used for permanent pothole repairs, replacing deteriorated street pavement surfaces and for the City’s residential street paving program, which overlays approximately 80 residential blocks per year. Street Operations is in the process of installing a four-bin hopper system that will allow the Division to blend their own aggregate used in the production of HMA manufactured with recycled asphalt product (RAP) and recycled asphalt shingles (RAS) which will reduce the amount of asphalt product and asphalt shingles entering the waste stream. The HMA aggregate purchased through this contract will be used to produce the blended aggregate material for the manufacture of HMA.

ALTERNATIVES: With no contract in place, Street Operations will not blend their own aggregate which may impact their ability to manufacture HMA utilizing recycled asphalt product and recycled asphalt shingles.

COMPETITIVE SOLICITATION: Specification No. PW17-0392F was opened October 17, 2017. Seven companies were invited to bid in addition to normal advertising of the project. Two submittals were received. Mountain Stone Aggregate LLC provided the low bid for the HMA Aggregate.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>
Mountain Stone Aggregate LLC	Chehalis, WA	\$283,350.00
Washington Rock Quarries, Inc.	Graham, WA	\$330,870.00

Pre-bid Estimate: \$1,471,692.45 (All five years)

The recommended award is 2.2 percent above the pre-bid estimate.



CONTRACT HISTORY: New contract.

SUSTAINABILITY: The aggregate will be used in the production of HMA utilizing recycled asphalt product and recycled asphalt shingles which will be used in the street repair and residential street paving programs and reduce the amount of asphalt product and asphalt shingles from entering the waste stream. 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 Mountain Stone Aggregate, LLC, Chehalis, WA, in the amount of \$283,350.00, plus a 10 percent contingency, for a total of \$311,685.00, plus applicable sales tax, for an initial contract term of one year, plus four additional one-year renewal options, for a projected cumulative contract amount of \$1,654,777.99, plus applicable sales tax, budgeted from the Asphalt Plant Fund 5453, for the purchase of HMA Aggregate.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5453 Asphalt Plant	490100	5220100	\$1,654,777.59
<b>TOTAL</b>			<b>\$1,654,777.59</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Asphalt Plant Revenues	Various	4345470	\$1,654,777.59
<b>TOTAL</b>			<b>\$1,654,777.59</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$311,685.00 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  
NOV 9 2017 16:06:32