

City of
Tacoma

PUB Resolution No.: _____
City Council Resolution No.: _____

**Contract and Award Letter
Purchase Resolution —Exhibit "A"**

TO: Board of Contracts and Awards
FROM: Andy Cherullo, Finance Director, Finance Department
Patsy Best, Procurement and Payables Division Manager, Finance Department
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, EIC Coordinator, LEAP Coordinator, and Tad Carlson, Finance
Department.
SUBJECT: Citywide - Pavement Restoration Services
Request for Bids (RFB) Specification No. CT18-0277F, Contract No.
CW2226824 – July 12, 2023, Public Utility Board and July 18, 2023, City Council
DATE: May 31, 2023

RECOMMENDATION SUMMARY:

The Finance Department requests approval to increase CW2226824, to Asphalt Patch Systems, Inc., Puyallup, WA, by \$1,000,000, plus any applicable taxes, budgeted from various funds, for asphalt and concrete patching services. This increase will bring the contract to a cumulative total of \$5,702,989.32, plus any applicable taxes.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.

This project improves roadway infrastructure by providing a safer driving surface for vehicles, bicycles, and pedestrians.

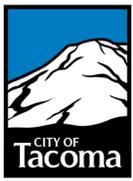
BACKGROUND:

This citywide contract provides for as-needed general street repair services and street and sidewalk repairs due to utility cuts and incidental pavement restoration for multiple city departments including, Tacoma Water, Tacoma Power, Environmental Services, Public Works and more. The individual repairs are generally small and range in cost from \$600 to \$25,000, depending on the size and location of the repair. By combining individual department needs, the city can leverage its purchasing power under a single contract.

A new specification for these services, CT23-0087F will be posted shortly. Updating the scope to include new services delayed advertisement of the new specification so award and contracting will not be completed before the contract expires. As an on-call contract, the increase is not a guarantee of spend but an estimate, and the contract will be terminated upon execution of a new agreement resulting from CT23-0087F.

ISSUE: City of Tacoma does not have the capability to provide the required services to varied locations throughout the City of Tacoma and Tacoma Public Utilities service areas. The existing contract is set to expire in mid-July and will allow for services to continue until the new agreement has been finalized.

ALTERNATIVES: The alternative to extending and increasing the contract would be for departments to solicit the services on a job-by-job basis. This would be extremely disruptive to



operations and would dramatically increase cost due to forfeiting the volume discount and costing labor hours soliciting the services.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. CT18-0277F was opened September 11, 2018. Four companies were invited to bid in addition to normal advertising of the project. Two submittals were received.

Asphalt Patch Systems, Inc. submitted a bid that resulted in the lowest evaluated submittal after considerations of Small Business Enterprise (SBE) participation goals. The table below reflects the total value of the original contract.

<u>Respondent</u>	<u>Location</u> <i>(city and state)</i>	<u>Submittal</u> <u>Amount</u>	<u>Evaluated</u> <u>Submittal</u>
Asphalt Patch Systems, Inc.	Puyallup, WA	\$2,136,340	\$2,136,340
Puget Paving & Construction, Inc.	Lakewood, WA	\$3,510,324	\$3,510,324

Pre-bid Estimate: \$3,900,000

CONTRACT HISTORY: This contract was originally awarded to Asphalt Patch Systems, Inc. as a result of CT18-0277F in December of 2018.

Amendment No. 1, effective June 1, 2021, increased the contract value by \$854,535.99 to a new total of \$3,702,989.32 as allowed by U-11040 and Res40162.

Amendment No. 2, effective December 16, 2021, extended termination date to December 16, 2022, exercised administrative increase authority to increase contract value by \$200,000 to new contract total of \$3,902,989.32 and adopted new pricing effective June 1, 2022.

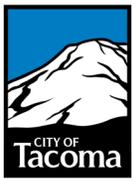
Amendment No 3 effective June 1, 2022, increased authorized compensation by \$800,000 from \$3,902,989.32 to new not to exceed value of \$4,702,989.32 as approved by City Manager Action Memo dated July 12, 2022.

Amendment No. 4, effective December 1, 2022, extended termination date to June 16, 2023, and increased contract value by \$200,000 from \$4,702,989.32 to new not to exceed value of \$4,902,989.32.

Amendment No. 5, effective June 15, 2023, extended termination date to the sooner of December 31, 2023, or until the execution of a new agreement resulting from RFB CT23-0087F and adopted new pricing.

SUSTAINABILITY: Include an explanation of how sustainability factors were considered, per the [Sustainability-Related Resolutions, Proclamations, and Ordinances](#). The contract will improve the City’s infrastructure and safety of residents by repairing streets for motorized travel.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: Not Applicable. This contract predates the Equity in Contracting program



LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP)
COMPLIANCE: The LEAP requirements for this project are 15 percent of the project labor hours must be worked by Apprentices, per TMC 1.90.040.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various	Various		Up to \$1,000,000
TOTAL			Up to \$1,000,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various	Various		Up to \$1,000,000
TOTAL			Up to \$1,000,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Up to \$ 1,000,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A