

AGENDA BILL

**Beaverton City Council
Beaverton, Oregon**

SUBJECT: Contract Award – Asphaltic Concrete Requirements Contract

FOR AGENDA OF: 06/05/18 **BILL NO:** 18114

Mayor's Approval: *Dennis Dayer*

DEPARTMENT OF ORIGIN: PW *[Signature]*

DATE SUBMITTED: 5/21/18

CLEARANCES: Mayor's Office *[Signature]*
Finance *[Signature]*
Purchasing *[Signature]*
City Attorney *[Signature]*

PROCEEDING: CONSENT AGENDA
(CONTRACT REVIEW BOARD)

EXHIBITS: 1. Bid Tabulation

BUDGET IMPACT

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$675,125	BUDGETED \$1,200,000*	REQUIRED \$0-

* Account Number 101-85-0732-422 – Street Fund – Operations Department – Street Maintenance Program - Street Reconstruction Expense. The \$1,200,000 Amount Budgeted is included in the FY 2018-19 Proposed Budget which is scheduled for adoption at the June 19, 2018, Council Meeting. The contract award recommended in this agenda bill is subject to adoption of the FY 2018-19 Proposed Budget.

RECOMMENDED ACTION:

City Council, acting as Contract Review Board, awards a requirements contract to Baker Rock Resources of Beaverton, Oregon as the primary supplier, and to Oregon Asphaltic Paving, LLC of Tualatin, Oregon as the secondary supplier for the purchase of asphalt concrete for one year Fiscal Year 2018-19 with the option to renew the contract for four additional one-year periods based on Council's approval of the upcoming FY 2018-19 budget, and future FY 2019-20, FY 2020-21, FY 2021-22 and FY 2022-23 budgets. The contract language will be directly related to the firm price per ton, in lieu of a total estimated amount. The estimated usage for FY 2018-19 is \$675,125.

HISTORICAL PERSPECTIVE:

The FY 2018-19 Proposed Budget includes funding for asphaltic concrete for the repair and maintenance of road pavement by the Public Works Department. In FY 2017-18 the Public Works Department used \$493,341 worth of asphaltic concrete for a variety of projects and maintenance requirements.

INFORMATION FOR CONSIDERATION:

An invitation to bid was advertised on April 25, 2018. Bids were opened on May 10, 2018, at 2:00 p.m., in the Rogue River Conference Room. The invitation to bid and specifications call for a one-year contract with an option to renew for up to four additional one-year periods with the total term not to exceed five years. The new contract is expected to begin on July 1, 2018, pending adoption of the proposed FY 2018-19 Budget.

The City will award requirements contracts to two qualified suppliers. The City shall utilize the two qualified suppliers in the following manner. The primary supplier will be notified first, if they cannot fulfill the asphaltic concrete needs then the secondary supplier will be contacted. If none of the contracted suppliers can provide the requested material, the City reserves the right to purchase any item covered by this contract from other sources for the supply of asphaltic concrete for FY 2018-19.

The invitation to bid also explained the process that staff would follow for each additional year of the contract, to acquire updated pricing. On April 1 of each calendar year, following the first one-year term, the City at its option may contact each of the awarded two suppliers and request each of them to submit a firm price for the asphaltic concrete for the period of July 1 through October 31 of that calendar year and May 1 through June 30 of the following calendar year. Two suppliers will then be listed and ranked in order of lowest price offered as suppliers for that term. The reason for this method is to get the lowest cost per ton for asphaltic concrete and not have the price fluctuate during the paving season which provides accuracy in the number of streets we can pave.

The contract will allow the Public Works Department to purchase asphaltic concrete on an as-needed basis for FY 2018-19 and based on approval of future Fiscal Years 2018-2023 budgets. Bid prices for the first year of the contract shall be firm on the quantity of products stated on Exhibit 1 – “Bid Tabulation” from July 1 through October 31 of that calendar year and May 1 through June 30 of the following calendar year. Pricing for product purchased outside of the quantities stated on the Bid Form from November 1 through April 31 may fluctuate per the Price Escalation/De-escalation Clause for Oil put out by the Oregon Department of Transportation (ODOT). The City has budgeted for FY 2018-19 a total of \$675,125 to purchase asphaltic concrete.

City of Beaverton
BID TABULATION
 Asphaltic Concrete Requirements Contract
 Solicitation #3346-18B
 Bid Opening: 2:00 PM on May 10, 2018

ITEM NO	DESCRIPTION	EST QTY	Baker Rock Resources, Beaverton, OR		Oregon Asphaltic Paving LLC, Tualatin, OR	
			UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE
1	Level II, 3/8" Dense Graded Hot Mixed Asphaltic Concrete, PG 70-22	500	\$ 47.00	\$ 23,500.00	\$ 62.50	\$ 31,250.00
2	Level II, 1/2" Dense Graded Hot Mixed Asphaltic Concrete, PG 70-22	1500	\$ 46.25	\$ 69,375.00	\$ 59.50	\$ 89,250.00
3	Level III, 1/2" Dense Graded Hot Mixed Asphaltic Concrete, PG 70-22	14500	\$ 45.25	\$ 656,125.00	\$ 59.50	\$ 862,750.00
4	Cold Mix Premium Modified Asphalt	200	\$ 95.00	\$ 19,000.00	\$ 95.00	\$ 19,000.00
GRAND TOTAL:			\$	768,000.00	\$	1,002,250.00