



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 24, 2017

TO: Mayor and Councilmembers

FROM: Transportation Division, Public Works Department

SUBJECT: Authorize Waiver Of Formal Bid Requirement For Asphalt Vendors For Pavement Maintenance And Repairs

RECOMMENDATION: That Council:

- A. Find it in the City's best interest to waive formal competitive bid requirements for procurement of asphalt for pavement maintenance and repairs as authorized by Municipal Code Section 4.52.070 (L);
- B. Authorize the General Services Manager to issue purchase orders to two asphalt vendors, Vulcan Materials and Granite Construction Company, in a combined amount not to exceed \$200,000 for Fiscal Year 2017, and for up to four additional fiscal years in combined amounts not to exceed the amount set aside for this purpose in the budget adopted by Council for each fiscal year; and
- C. Authorize the Public Works Director to execute a professional services agreement with Flowers & Associates, Inc., in the amount of \$102,202 for engineering and construction support services for the Pilot Pavement Maintenance Point Repair Program.

DISCUSSION:

Background

The type of hot asphalt mixture used for year-round pavement maintenance by the City's Street Maintenance crews is only available from two suppliers within a 50 mile radius, Vulcan Materials (Vulcan) and Granite Construction Company (Granite). An advantage to using this asphalt mixture is that it is easily malleable and does not set quickly, allowing for multiple uses, including patching pavement, filling potholes, pavement point repairs, and drive lane repairs. Since Vulcan's and Granite's plants produce the asphalt mix intermittently, purchase of the material must be made from two separate sources so that when one plant is not producing this asphalt, staff can procure

it from the other plant. No third source or equivalent asphalt is available within a similar driving distance.

On July 3, 2012, Council approved the waiver of the competitive bid process for asphalt vendors, and authorized the General Services Manager to issue purchase orders to Vulcan and Granite in a combined amount not to exceed \$90,000 for Fiscal Year 2013, and for up to four additional fiscal years. At that time, the amount of pavement maintenance and repair work was estimated to have a total asphalt annual value in the range of \$80,000 to \$90,000.

In July 2016, the Transportation Division initiated the Pilot Pavement Maintenance Point Repair Program (Program), which utilizes the City's Street Maintenance crews to perform weekly asphalt pavement point repairs on local roads that would not typically be included in the annually contracted Streets Capital Pavement Maintenance work. As the Streets Maintenance crews become more efficient with this type of work, the Program will expand into larger repair areas, with the goal of having City crews largely perform repairs as part of the routine preventative maintenance strategy on the City's overall pavement network. The anticipated increase in the volume of asphalt work is estimated to have a total annual value in the range of \$500,000 to \$1,000,000 for a single fiscal year. Separate purchase orders will be issued to each vendor each fiscal year.

Because the annual amount of asphalt needed exceeds the \$75,000 threshold of the General Services Manager's purchasing authority, and due to the need to have multiple asphalt sources, staff recommends that Council authorize the General Services Manager to waive formal bid requirements and increase the purchase orders to the two vendors in a combined amount not to exceed \$200,000 in Fiscal Year 2017, as authorized by Municipal Code Section 4.52.070 (L).

This authority would apply for the remainder of Fiscal Year 2017, and up to four additional fiscal years in the amount budgeted for the purchase of asphalt for each year, contingent on no other comparable supplier entering the market within a 50 mile radius. In the event another supplier becomes available, staff will reevaluate what is in the City's best interest for the following fiscal year. The actual amount spent with each vendor may be more or less than half of the combined amount each year, depending on quality, pricing, and availability. However, the aggregate amount spent for asphalt will be within the approved budget amounts.

Engineering And Construction Contract Services

Staff recommends that Council authorize the Public Works Director to execute a professional services agreement with Flowers & Associates, Inc. (Flowers), in the amount of \$102,202 for engineering, construction support, and inspection services for the Pilot Pavement Maintenance Point Repair Program. In 2015, Council approved the selection of Flowers to provide engineering design and construction management services for the City's annual Pavement Maintenance Projects scheduled for Fiscal Years 2016 through 2018. Flowers is experienced in this type of work and is familiar

with the Program since they have been involved in the same or similar capacity since its inception. The contract work will provide engineering and construction support services for the remainder of Fiscal Year 2017.

A copy of the agreement is available for public review at the City Clerk's Office.

BUDGET/FINANCIAL INFORMATION:

Sufficient appropriated funds are available in the Streets Fund for the Fiscal Year 2017 contracts. Subsequent contracts will be budgeted in future fiscal years.

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Manager/AU/mj

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office