



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 18, 2008

TO: Mayor and Councilmembers

FROM: Transportation Division, Public Works Department

SUBJECT: Sole Source Asphalt Vendor For Street Maintenance

RECOMMENDATION:

That Council find it in the City's best interest to authorize the General Services Manager to issue a blanket purchase order within approved budgets to Vulcan Materials Company (Vulcan) as the sole-source supplier for asphalt for the remainder of Fiscal Year 2008, with four one-year renewal options, without bids, as authorized by Municipal Code Section 4.52.080(k).

DISCUSSION:

The Street Maintenance program's basic commodity is a hot mix asphalt that is purchased from and picked up at an out-of-town asphalt production plant a few times every week, year round, except on rainy days. The type of asphalt mix the Streets crew prefers for patching pavement, filling potholes, and padding sidewalk uplifts is easily malleable and doesn't set up too quickly. Transport costs add considerably to the overall cost of asphalt in terms of employee time and vehicle usage driving to and from the plant, thus it is in the City's best interest to buy from sources as close to Santa Barbara as possible.

The two nearest asphalt production plants are Vulcan in Saticoy and Granite Construction (Granite) in Buellton. A third source, Sully Miller, recently closed its Oxnard facility. Of the two sources available within a 50-mile radius, only Vulcan in Saticoy can supply the particular type of asphalt we need at the frequency required by the Streets maintenance asphalt crew. For this reason, Vulcan is our preferred source.

For the record, the Streets Maintenance program purchases asphalt from both Granite and Vulcan, but we purchase about four times more often from Vulcan than Granite. Vulcan makes a malleable mix, which produces the best results for our purposes.

REVIEWED BY: _____Finance _____Attorney

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Granite's mix is harder to use, and it is only purchased when Vulcan's plant is closed or not producing the type we prefer.

The amount of asphalt needed from Vulcan this fiscal year will exceed the \$25,000 threshold of the General Service Manager's purchasing authority without conducting formal bids. Because of the lack of multiple local sources for equal products, competitive bidding is not an option, and thus we are requesting that the General Service Manager be authorized to issue a purchase order within approved budgets to Vulcan Materials Company as a sole source supplier.

BUDGET/FINANCIAL INFORMATION:

Funds are available in the Street Maintenance operating budget.

SUSTAINABILITY IMPACT:

Transportation impacts are minimized by securing asphalt from companies within close proximity to the City of Santa Barbara.

PREPARED BY: Rick Fulmer/RH/mh

SUBMITTED BY: Paul Casey, Acting Public Works Director

APPROVED BY: City Administrator's Office