

TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: UTILITIES

DATE: JULY 28, 2008

CMR: 327:08

SUBJECT: APPROVAL OF A UTILITIES ENTERPRISE FUND BLANKET PURCHASE ORDER WITH E. J. PIRES TRUCKING INC. IN A NOT TO EXCEED AMOUNT OF \$400,000 FOR SAND, ROCK, AND CUTBACK ASPHALT FOR UTILITIES CONSTRUCTION

RECOMMENDATION

Staff recommends that the Council approve and authorize the City Manager or his designee to purchase sand, rock, and cutback asphalt through a blanket purchase order for trench and street restoration used by the Utilities Department in daily construction operations from E. J. Pires Trucking Inc. in a not-to-exceed amount of \$400,000.

Staff also recommends that the Council approve and authorize the City Manager or his designee to exercise the option to extend the contract for the second and third years, provided the supplier is responsive to the City's needs, and the quality of the contractor's work/product is acceptable during the previous year of the contract.

DISCUSSION

Project Description

The materials to be purchased include: sand, rock, and cutback asphalt. These materials are used during the daily operations of the Utilities Department and are required for filling trenches and pits and restoring streets after utility work is performed.

The bid process was used to determine the lowest unit cost supplier of the specified materials. When materials are needed, they are ordered under a blanket order at the specified price in the bid.

Summary of Bid Process

Bid Name/Number	Sand and Rock for WGW Utilities
Proposed Length of Project	36 months
Number of Bids Mailed to Contractors	10
Number of Bids Mailed to Builder's Exchanges	0
Total Days to Respond to Bid	19
Pre-Bid Meeting?	No
Number of Company Attendees at Pre-Bid Meeting	N/A
Number of Bids Received:	6*
Bid Price Range	From a low of \$344,480 to a high of \$416,670

*Bid summary provided in Attachment B.

Staff has reviewed all bids submitted and recommends that the bid of \$ 344,480 submitted by E. J. Pires Trucking Inc. be accepted and that E. J. Pires Trucking Inc. be declared the lowest responsible bidder. Two bidders on the bid summary bid lower total dollar amounts than E. J. Pires Trucking Inc. because they did not include the cutback asphalt. The total for the items that they provided bids for was higher than the low bid.

This contract establishes unit prices for materials that are ordered on an as-needed basis. The quantities in the bid are estimated amounts, so actual quantities may be greater or lesser than the bid amounts. Staff is requesting that the spending limit for the blanket purchase order be set at \$400,000 to accommodate the potential purchase of quantities greater than the estimated amounts.

RESOURCE IMPACT

The purchase of materials under this contract will be funded from the operating budgets of the Electric, Water, Gas, and Wastewater Utilities.

POLICY IMPLICATIONS

None.

ENVIRONMENTAL REVIEW

Not applicable.

ATTACHMENTS

A: Bid Summary

B: Certificate of Non-Discrimination

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Director of Utilities

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