

C093-038



Passed

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DEPARTMENT OF  
PUBLIC WORKS  
  
ENGINEERING DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

927 TENTH STREET  
ROOM 200  
SACRAMENTO, CA  
95814-2700

July 14, 1993

PH 916-264-7120  
FAX 916-264-7903

City Council  
Sacramento, California

CONSTRUCTION SECTION  
640 BERCLUT DRIVE  
SUITE B  
SACRAMENTO, CA  
95814-0131

Honorable Members in Session:

PH 916-264-5282  
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**SUBJECT: PURCHASE OF ASPHALT EMULSIONS AND REJUVENATORS FOR STREET REPAIR - REJECT LOW BID AND AWARD CONTRACT**

**LOCATION AND COUNCIL DISTRICT:** City-wide

**RECOMMENDATION:**

This report recommends that the City Council:

- Reject the non-responsive low bid of \$104,029 from Western Oil & Spreading.
- Accept the second low bid of \$131,510 and award the contract for the Purchase of Asphalt Emulsions and Rejuvenators for Street Repair project to Reed & Graham, Inc.

**CONTACT PERSON:** Barry Bates, Streets Division Manager, 433-6336

**FOR COUNCIL MEETING OF:** July 27, 1993

**SUMMARY:**

This contract will provide for the purchase of asphalt emulsions and rejuvenators for use by the Street Division for street repairs.

Bids were received and opened by the City Clerk on June 16, 1993. The low bidder, Western Oil & Spreading, did not bid on all items in the bid proposal and was therefore non-responsive. The low bidder also did not include any MBE/WBE participation in the bid. The second low bidder, Reed & Graham, Inc. submitted a complete bid and additionally included WBE participation in the amount of \$19,375 (14.7%). This report recommends that the City Council reject the low bid of \$104,029.50 from Western Oil & Spreading as non-responsive, and accept the second low bid of \$131,510 and award the contract for Purchase of Asphalt Emulsions and Rejuvenators for Street Repair to Reed & Graham, Inc.



City Council  
Purchase of Asphalt Emulsions and  
Rejuvenators for Street Repair  
July 14, 1993

**COMMITTEE/COMMISSION ACTION:**

None.

**BACKGROUND INFORMATION:**

The Street Division of the Department of Public Works performs daily street repairs when small areas of street sections at various locations become defective with cracks and potholes. Some of the repairs require the use of asphalt emulsions and asphalt rejuvenators. Due to the City's lack of bulk storage capabilities, it is necessary for the City to have a vendor furnish, as required, emulsified asphalt, liquified asphalt, reinforced paving fabric, and lay-down equipment to place the fabric for the Street Division. City forces will pick up materials from the vendor on an as-needed basis. This saves the City large transportation and demurrage costs. For some repair jobs it will be necessary for the vendor to deliver materials to the repair site and apply the delivered materials directly to the street. City crews will then complete the repair process. A portion of this contract provides for and includes labor costs to have the vendor deliver and spread material.

The Street Division has requested to be allowed to extend this contract for two additional years, renewable yearly at the City's option. There is no current contract for these services. The Street Division is currently obtaining these services through an open purchase order.

The low bidder, Western Oil & Spreading, did not bid on all items in the bid proposal and was therefore non-responsive. The low bidder did not include any MBE/WBE participation in the bid. The second low bidder, Reed & Graham, Inc. submitted a complete bid and additionally included WBE participation in the amount of \$19,375 (14.7%). This report recommends that the City Council reject the low bid of \$104,029.50 from Western Oil & Spreading as non-responsive, and accept the second low bid of \$131,510 and award the contract for Purchase of Asphalt Emulsions and Rejuvenators for Street Repair to Reed & Graham, Inc.

On May 18, 1993, the City Council approved the plans and specifications for the Purchase of Asphalt Emulsions and Rejuvenators for Street Repair project. Bids were received and opened by the City Clerk on June 16, 1993. The bids received were:

Western Oil & Spreading	\$104,029.50
Reed & Graham, Inc.	\$131,510.00

Note: Neither bidder is a MBE or WBE.

Only two bids were received for this contract. Due to the limited number of vendors able to provide these services, there would be no advantage to the City to rebid.

**FINANCIAL CONSIDERATIONS:**

Purchase for these materials will be funded from the Street Division Operating Budget. Street maintenance expenditures are eligible for Gas Tax (202) and/or Transportation Sales Tax (201) reimbursement to the General Fund.

City Council  
Purchase of Asphalt Emulsions and  
Rejuvenators for Street Repair  
July 8, 1993

**POLICY CONSIDERATIONS:**

This action is consistent with Chapter 58, Article III, Section 58.304 of the City Code concerning rejection of bids and Resolution 93-149, relating to MBE/WBE participation goals and policies, adopted by the City Council on March 30, 1993.

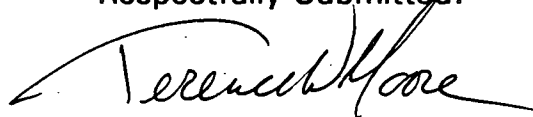
**MBE/WBE:**

There were four planholders for this project. None of the planholders were MBE or WBE. Two bids were received.

Because staff determined that there would be no subcontracting opportunities in this contract, participation goals for MBE/WBE were not established for this contract. The bid specifications for the Purchase of Asphalt Emulsions and Rejuvenators for Street Repair did include a MBE/WBE program statement reaffirming the City Council's commitment to provide contracting opportunities to MBE/WBEs to the maximum extent possible. The low bidder, Western Oil & Spreading, did not include any MBE/WBE participation in their bid. The second low bidder, Reed & Graham, Inc., listed WBE participation in the amount of \$19,375 (14.7%) in their bid. Reed & Graham, Inc. is a local, City of Sacramento business. Award to the second low bid is recommended. The City Attorney's office has reviewed staff's recommendation.

Plans and specifications were sent to twenty (20) plan rooms and construction service organizations for publication and use by the construction industry of Northern California. There are four (4) organizations on the distribution list that are directly involved with outreach to MBE/WBE contractors.

Respectfully Submitted:

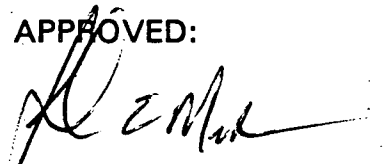


TERENCE W. MOORE  
Engineering Division Manager

RECOMMENDATION APPROVED:

APPROVED:

  
WILLIAM H. EDGAR  
City Manager

  
JOHN E. MEDINA  
Director of Public Works

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