



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
October 13, 2009

Honorable Mayor and
Members of the City Council

Title: Purchase/Cooperative Agreement: Aggregate and Asphalt Materials

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) approving the use of Cooperative Purchasing Agreement (WA00025184) between the County of Sacramento and Teichert Aggregates for the purchase of asphalt and aggregate materials for a not-to-exceed amount of \$2.25 million, and 2) approving the use of a Cooperative Purchasing Agreement (WA00025183) between the County of Sacramento and Granite Construction Company for the use of asphalt and aggregate materials for a not-to-exceed amount of \$1.75 million.

Contact: Juan Montanez, Street Services Manager, 808-2254

Presenters: None

Department: Transportation

Division: Street Services

Organization No: 15001631

Description/Analysis

Issue: The City of Sacramento, Department of Transportation, Street Services Division has an ongoing requirement for asphalt and aggregate materials. In accordance with City Code 3.56.240, the City Manager may, by the use of Cooperative Purchasing Agreements approved by the City Council, purchase asphalt and aggregate materials through contracts of other governmental jurisdictions or public agencies without separate competitive bidding, where it is advantageous to the City.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Section 3.56.240, which upon approval of the City Council allows for the use of legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City.

Environmental Considerations:

California Environmental Quality Act (CEQA): This project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15061(b)(3) of the CEQA guidelines, which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The current proposal involves the purchase of asphalt and aggregate materials.

Sustainability Considerations: The aggregate and asphalt materials purchased through the cooperative use of the County purchase agreements will be used to maintain the safety and efficiency of the City's transportation corridors, optimizing and improving the Transportation Infrastructure. Aggregate materials are also necessary to maintain Street Service's ability to respond to catastrophic flooding, supporting the City's long-term plan to achieve 200 year flood protection for the greater Sacramento area. Whenever practical, Staff intends to purchase locally recycled aggregate materials available through the County purchase agreements to help reduce the over-consumption of natural resources.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The Department of Transportation, Street Services Division has an ongoing requirement for asphalt and aggregate materials.

The pricing terms and conditions were offered and accepted through a competitive solicitation conducted by the County of Sacramento. The use of Cooperative Purchasing Agreements is an alternative to City-conducted competitive bidding that usually results in lower costs through volume purchasing by combining resources and requirements with other government agencies or public jurisdictions.

The County of Sacramento's contract with Granite Construction Company (WA00025183) and Teichert Aggregates (WA00025184) expire on September 5, 2010. Procurement Services Division staff is working with the County of Sacramento to partner in the next competitively bid solicitation. The intent is to incorporate the City's annual requirements for asphalt and aggregate materials in an effort to gain lower pricing and more favorable terms for the City of Sacramento.

Based on the foregoing, staff recommends that the City Manager, or his designee, be authorized to use these cooperative agreements for the purchase of asphalt and aggregate materials through September 5, 2010.

Financial Considerations: There is no cost or fee to the City of Sacramento for the use of the County of Sacramento's Cooperative Purchasing Agreement. Staff and Procurement Services have determined that the prices and terms of the County of Sacramento purchase agreements are below or meet market rates. Streets Services Division anticipates that a not-to-exceed amount of \$2.25 million with Teichert

Aggregates and \$1.75 million with Granite Construction will be sufficient for all anticipated and unanticipated work, as well as fluctuations in asphalt prices resulting from escalating market conditions. The costs of the materials are borne by Capital Improvement Projects (CIP's) and the Street Services operating budget; no additional funding is requested with this action.

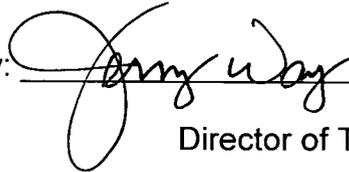
Emerging Small Business Development (ESBD): Due to the volume of asphalt and aggregate materials necessary for the maintenance of the City's roadways and rapidly escalating market conditions, this acquisition does not lend itself to small and emerging small businesses.

Respectfully Submitted by: _____



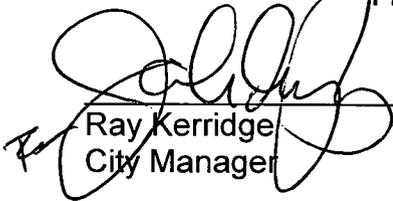
Juan Montanez
Street Services Manager

Approved by: _____



Jerry Way
Director of Transportation

Recommendation Approved:



Ray Kerridge
City Manager

Table of Contents:

Report	pg. 1
Attachments	
1 Resolution	pg. 4

RESOLUTION NO.

Adopted by the Sacramento City Council

**PURCHASE/COOPERATIVE AGREEMENT: AGGREGATE
AND ASPHALT MATERIALS**

BACKGROUND

- A. The City of Sacramento, Department of Transportation, Street Services Division has an ongoing requirement for asphalt and aggregate materials. Through the use of Cooperative Purchasing Agreements between the County of Sacramento and Teichert Aggregates (WA00025184) and Granite Construction Company (WA00025183) the City has the opportunity to obtain lower pricing for asphalt and aggregate materials through volume purchasing.
- B. Staff recommends that City Council approve the use of County of Sacramento Cooperative Purchasing Agreement WA00025184 with Teichert Aggregates in the not-to-exceed amount of \$2.25 million through September 5, 2010; and Cooperative Purchasing Agreement WA00025183 with Granite Construction Company in the not to exceed amount of \$1.75 million through September 5, 2010. This recommendation complies with City Code 3.56.240, which allows for the use of Cooperative Contracts through other government jurisdictions or public agencies without separate competitive bidding.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The use of Cooperative Purchasing Agreement WA00025184 between the County of Sacramento and Teichert Aggregates for the purchase of asphalt and aggregate materials is approved for a not-to-exceed amount of \$2.25 million.
- Section 2. The use of a Cooperative Purchasing Agreement WA00025183 between the County of Sacramento and Granite Construction Company for the use of asphalt and aggregate materials is approved for a not-to-exceed amount of \$1.75 million.