June 22, 2004

TO: Mayor and City Council

FROM: Public Works Department

SUBJECT: RESOLUTION: PURCHASE OF POLYMER-MODIFIED ASPHALT SURFACE SEALER (PASS) EMULSION FOR FISCAL YEAR 2004-05 (PUR 04-46)

RECOMMENDATION

It is recommended that a resolution be adopted approving specifications and awarding a contract in the amount of $216,150 to Reed and Graham, Inc., for the above project.

DISCUSSION

Background

As reported in The Week That Was on June 11, 2004, the City’s pavement management strategy has yielded significant improvement in the overall condition of the street network since 2000. This improvement has been achieved by a combination of pavement overlay, microsurfacing, and cape-seal treatments.

This contract is for the purchase of Polymer-modified Asphalt Surface Sealer (PASS) asphalt emulsion to be used in the chip-seal program. A chip-seal is a layer of asphalt emulsion applied to the road surface, followed by spreading of uniform size aggregate (chips). This mixture is then rolled and swept clean. The hot asphalt emulsion fills most of the cracks and, in combination with the chips, provides a protective surface which extends the life of the pavement. This treatment has proven to be very effective in improving the service life of poor condition streets.

The PASS product is a specialized asphalt emulsion which has the unique property of rejuvenating the oxidized and old pavements and sealing the cracks at the same time. In addition, it can be used at ambient temperature during hot weather. During 2003, the City tested a PASS emulsion chip-seal on Stanislaus Street between Lafayette Street and Hazleton Avenue. The results were satisfactory and the road surface is in good condition after about one year of application. Staff concluded that the PASS product was the best emulsion for use in an expanded chip-seal program for 2004.

The PASS emulsion purchased under this contract will be supplied to the contractor that undertakes the actual construction work. Due to a limited number of manufacturers of the PASS product, it is more cost effective for the City to purchase the PASS emulsion directly from the manufacturer as opposed to including its procurement into a construction contract. A separate report for award of the construction contract for the cape-seal (chip-seal followed by microsurfacing) project is also on the agenda.

AGENDA ITEM 6.06

040
Present Situation

On May 6, 2004, three (3) bids were opened with the following results:

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>UNIT COST (PER TON)</th>
<th>ESTIMATED ANNUAL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reed and Graham, Inc.</td>
<td>$393</td>
<td>$216,150</td>
</tr>
<tr>
<td>San Jose, CA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western Emulsions, Inc.</td>
<td>$404</td>
<td>$222,200</td>
</tr>
<tr>
<td>Dana Point, CA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telfer Oil</td>
<td>$424</td>
<td>$233,200</td>
</tr>
<tr>
<td>Martinez, CA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineer's Estimate</td>
<td>$400</td>
<td>$220,000</td>
</tr>
</tbody>
</table>

The bid submitted by Reed and Graham, Inc., is regular in all respects and meets the City's specifications. They have the proper license for this work.

The proposed contract consists of the purchase and delivery of approximately 550 tons of Polymer-modified Asphalt Surface Sealer (PASS) emulsion for fiscal year 2004-05. The City will pay only for the quantity of emulsion used.

FINANCIAL SUMMARY

The unencumbered balance in 399-9928-640, the multi-funded Street Resurfacing Project, on June 7, 2004 was $3,192,786 and is sufficient to award the contract.

PREPARED BY: Vijay Sinha

Respectfully submitted,

GORDON A. MAGKAY  DEPUTY PUBLIC WORKS DIRECTOR/O & M

APPROVED BY: MARK LEWIS, CITY MANAGER
STOCKTON CITY COUNCIL

RESOLUTION AWARDING A CONTRACT TO REED & GRAHAM, INC., IN THE AMOUNT OF $393 PER TON FOR THE PURCHASE OF POLYMER-MODIFIED ASPHALT SURFACE SEALER (PASS) EMULSION FOR FISCAL YEAR 2004-05 (PUR 04-46), AND TO TAKE THE NECESSARY ACTIONS TO APPROPRIATE FUNDS

WHEREAS, the City Clerk of the City of Stockton did, on May 6, 2004, open, examine and publicly declare the sealed proposals or bids offered for the purchase of POLYMER-MODIFIED ASPHALT SURFACE SEALER (PASS) EMULSION FOR FISCAL YEAR 2004-05 (PUR 04-46); now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the plans and/or specifications contained in the bid for the purchase of POLYMER-MODIFIED ASPHALT SURFACE SEALER (PASS) EMULSION FOR FISCAL YEAR 2004-05 (PUR 04-46), are incorporated herein by reference and are hereby approved and adopted.

2. That all of said bids except that next herein mentioned are hereby rejected.

3. That the contract for the purchase of POLYMER-MODIFIED ASPHALT SURFACE SEALER (PASS) EMULSION FOR FISCAL YEAR 2004-05 (PUR 04-46) is hereby authorized and the contract awarded to the lowest and best regular responsible bidder, to wit: REED AND GRAHAM, INC., a corporation, at the price of $393 per ton.

4. That the City Manager of the City of Stockton is hereby authorized and directed to execute a contract on behalf of the City of Stockton with said REED AND GRAHAM, INC., a corporation, in accordance with the plans and/or specifications and all letters of clarification, for such work hereinabove adopted by the City Council.

5. That the City Clerk is hereby authorized to return to each of the unsuccessful bidders, the bidder's bonds, certified checks and cashier's checks which accompanied their respective bids for the above-mentioned work.

City Atty: [Signature]
Review Date: June 14, 2004
6. That the City Manager is hereby authorized and directed to appropriate/transfer funds.

7. That the City Manager is hereby authorized and directed to take all actions necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED ________________________________.

ATTEST: ______________________________________________________________________

GARY A. PODESTO, Mayor
of the City of Stockton

KATHERINE GONG MEISSNER
City Clerk of the City of Stockton

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