



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Modify an Existing Purchase Order for the Purchase of Aggregate Base Rock, Sand and Other Maintenance/Repair Materials (F16-89)

REPORT IN BRIEF

Approval is requested to modify an existing contract with Graniterock Co. for the purchase of maintenance and repair materials needed by the Environmental Services Department (ESD), increasing the contract by \$50,000, from \$90,000 to \$140,000.

EXISTING POLICY

Pursuant to Sunnyvale Municipal Code Section 2.08.040 Council approval is required to amend existing contracts that will exceed \$100,000 absent delegated authority to the City Manager to make such modification.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

BACKGROUND AND DISCUSSION

Bulk products such as aggregate base rock, sand, and cold mix asphalt are used regularly by ESD staff for on-going non-emergency preventative maintenance or repair of water and sewer system pipelines, and for the service restoration needed for emergency repairs. On occasion, the products are used in conjunction with private development. Some of these items, as well as crushed granite, are also used by the Public Works Department.

In July 2014, Council awarded a two-year contract in the amount of \$235,000 to Graniterock for crushed granite, aggregate base rock and sand for use by the Public Works Department. At that time, a smaller contract for \$60,000 was awarded under the City Manager’s authority for base rock and sand for ESD. Both contracts expire June 30, 2016. During the contract term, cold mix asphalt was added to the ESD blanket purchase order and the contract was increased to \$90,000. This contract is nearly exhausted, mainly due to increased infrastructure repair work and a greater emphasis on preventative maintenance throughout the city.

Staff recommends increasing the existing contract amount from \$90,000 to \$140,000 to ensure adequate funding through the end of the fiscal year. An invitation for Bids (IFB) will be issued prior to contract expiration to establish new contracts.

FISCAL IMPACT

Budgeted funds for the purchase of these materials are available in the Environmental Services Department Operating Budgets for Water, Sewer, and Stormwater services.

Funding Source

Costs for materials related to water and wastewater system maintenance are funded by the Water Supply and Distribution Fund or Wastewater Management Fund as appropriate.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Authorize the issuance of a revised blanket purchase order to Graniterock Co. adding \$50,000 to the existing contract amount for a new contract amount of \$140,000 for the purchase of aggregate base rock, sand and other maintenance/repair materials

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Acting Director, Finance

Reviewed by: John Stufflebean, Director, Environmental Services

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENT

1. Draft Purchase Order