



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 20-0598, Version: 1

REPORT TO COUNCIL

SUBJECT

Authorize the Issuance of Blanket Purchase Orders with Graniterock and West Coast Sand & Gravel for Aggregate Base Materials for the Departments of Public Works and Environmental Services (F20-134)

REPORT IN BRIEF

Approval is requested to authorize the issuance of two blanket purchase orders in an amount not to exceed \$425,000 with Graniterock of Redwood City and in an amount not to exceed \$158,000 with West Coast Sand & Gravel of Sacramento for the purchase of aggregate base materials for the Departments of Public Works and Environmental Services for a one-year period. Approval is also requested to authorize the City Manager to modify and renew the purchase orders for two additional one-year periods subject to available budget, if pricing and service remain acceptable to the City.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

This project is exempt under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(c), minor alteration of existing facilities, mechanical equipment, highways and streets involving negligible or no expansion of use beyond that which presently exists

BACKGROUND AND DISCUSSION

Aggregate base materials are used by Public Works operations and Environmental Services water and sewer operations to perform regular repair work on City streets and parking lots to fill potholes and repair asphalt as required. Upon completion of repairs, aggregate base rock and cold mix are used to backfill excavated area and compacted to ensure the ongoing integrity of the City streets and parking lots.

The Invitation for Bids was posted on the City's DemandStar public procurement network in April. It was directly provided to known aggregate materials suppliers in the Bay Area. Sealed bids were publicly opened on May 6 with three responsive bids received (see Attachment 1 - Bid Summary). West Coast Sand & Gravel was the lowest responsive bidder. However, after samples of the crushed granite (bid items 1 and 2) were provided and analyzed by City staff, it was determined that these materials did not meet City standards. The next lowest bidder, Graniterock, is the City's current supplier for crushed granite so the product has been determined to meet City standards. While West Coast Sand & Gravel did not meet the standards for crushed granite, its bid for all other bid items were determined as acceptable for use by the City.

The City is recommending awarding multiple contracts based on the varying low bid items. This provides primary and backup suppliers. Staff recommends setting the blanket order for Graniterock at \$425,000 based on it being the low bid and primary vendor for bid items with the highest estimated cost. Staff recommends setting the blanket order for West Coast Sand & Gravel at \$158,000 based on it being the low bid and primary vendor for the remaining bid items. Staff recommends awarding contracts to both bidders, based on bid pricing, flexibility and to ensure the highest level of availability of materials to meet operational needs as they arise.

FISCAL IMPACT

Funding is provided by the General Fund for City streets and parking lots, from the Water Supply and Distribution Fund and the Wastewater Management Fund for utility related work.

Budgeted funds are available in the Department of Public Works operating budget (Program 120 - Pavement Maintenance) and the Environmental Services Department operating budget (Program 360 - Water Resources, and Program 367 - Wastewater Collection Systems).

PUBLIC CONTACT

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

RECOMMENDATION

- Authorize the issuance of a one-year blanket purchase order to Graniterock in substantially the same form as Attachment 2 to the report, in an amount not-to-exceed \$425,000;
- Authorize the issuance of a one-year blanket purchase order to West Coast Sand & Gravel, Inc., in substantially the same form as Attachment 3 to the report, in an amount not-to-exceed \$158,000; and
- Authorize the City Manager to amend and renew the purchase orders for two additional one-year periods, subject to available budget, if pricing and service remain acceptable to the City

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Ramana Chinnakotla, Director of Environmental Services

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Jaqui Guzmán, Deputy City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft Purchase Order - Graniterock
3. Draft Purchase Order - West Coast Sand & Gravel