



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Public Works

Meeting Date: June 19, 2023

Report #:2304-1236

TITLE

Approval of a Blanket Purchase Order with Graniterock Company for the purchase of Sand, Rock, and Cutback-Cold Mix Asphalt Materials for the Public Works and Utilities Departments for a three-year term ending June 30, 2026; CEQA – Not a Project

RECOMMENDATION

Staff recommends that Council authorize the City Manager or their designee to execute a blanket purchase order with Graniterock Company for Sand, Rock, and Cutback-Cold Mix Asphalt Materials in the not-to-exceed amount of \$315,075 for Fiscal Year 2024, \$327,575 for Fiscal Year 2025 and \$340,075 for Fiscal Year 2026, for a total not-to-exceed amount of \$982,725 over a three-year term from July 1, 2023 to June 30, 2026.

BACKGROUND

Both the Public Works and Utilities Departments use Sand, Rock and Cutback-Cold Mix Asphalt regularly. Public Works uses for these materials include installing new sidewalks and/or replacing damaged sidewalks, patching potholes, and creating temporary ramps around metal plates located within the roadway. Utilities uses for these materials include pipe bedding and backfill of wastewater, gas, and water infrastructure. Utilities typically uses Cold Mix-Cut Back for temporarily backfilling trenches and ramping up metal plates. Hot Mix Asphalt, which is supplied through a separate blanket purchase order, is typically used for permanent trench restoration and roadway resurfacing.

ANALYSIS

Sand, Rock and Asphalt are essential for the Utilities and Public Works Departments to perform their day-to-day operations and enhancement projects. Without the use of these materials neither department would be able to fulfill the Public Works and Utilities Standards requirements (WGW-02, WGW-02B, PW Standards 4040 and 405) to replace sidewalks, bed pipes, and backfill various utility infrastructures.

A Request for Quotation (RFQ) for Sand, Rock, and Cutback-Cold Mix Asphalt was sent to three potential vendors and posted on Planet Bids. Quotes were received from Graniterock Company (Graniterock) and two other bidders. One of the bidders was deemed non-responsive because they were unable to provide all the materials requested in the Scope of Work. Graniterock met all the requirements and was the lowest responsible bidder.

Table 1: Summary of Bid Process:

Bid Name/Number	Sand, Rock and Cutback-Cold Mix Asphalt Materials RFQ #185983
<i>Proposed Length of Project</i>	Three years
<i>Total Days to Respond to Bid</i>	30
<i>Pre-Bid Meeting</i>	No
<i>Number of Bids Received:</i>	3
<i>Base Bid Price Range</i>	\$598,320 to \$1,225,045
<i>Link to Bid</i>	https://pbsystem.planetbids.com/portal/25569/bo/bo-detail/102160#bidInformation

Under the recommended blanket purchase order, the cost of materials has increased by approximately 28% compared to the rates for Fiscal Year 2023. This price increase is attributed to inflation and the overall rise of cost in commodities. Table 2 displays the existing pricing for Fiscal Year 2023 in comparison to the bid price for Fiscal Year 2024.

Table 2: Pricing Comparison for Fiscal Years 2023 and 2024

Approx. Qty (Tons)	Description	FY23 Unit Price	FY23 Total Price	FY24 Unit Price	FY24 Total Price
2,000	Clean Sand, Salt Free and Clay-Free	\$40.35	\$80,700	\$60.75	\$121,500
500	Class 3 Permeable ½" Crushed Rock	\$60.18	\$30,090	\$85.20	\$42,600
3,500	Class 2 Aggregate Base Rock	\$19.64	\$68,740	\$18.00	\$63,000
500	Cutback Asphalt, 3/8" Cold Mix	\$122.12	\$66,060	\$175.95	\$87,975
TOTAL			\$245,590		\$315,075

Staff recommends that Council approve and authorize the blanket purchase order for materials with Graniterock as the primary supplier. The City has had previous blanket purchase orders with Graniterock, and staff has consistently received product that met both the State of California and the City's standards.

FISCAL/RESOURCE IMPACT

Staff recommends that Council approve the not-to-exceed amount of \$315,075 for Fiscal Year 2024; however, actual spending is dictated entirely by need and will be controlled by each department. Funding for the first year of this contract is included in the Fiscal Year 2024 budget, and execution of the recommended blanket purchase order is contingent on Council approval and adoption of the Fiscal Year 2024 budget. The bid table¹ that Graniterock submitted represents a menu of available products with unit pricing that are required to install and repair sidewalks, pipe bedding, and backfill of wastewater, gas, and water infrastructure.

The Public Works and Utilities Departments estimate an annual need of \$50,000 and \$260,000, respectively. Staffing levels and planned work deferments may impact those estimates and will be considered before expending the funds. Funding for contract years two and three is contingent upon Council approval of each department's budget for each subsequent year.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement for the recommended blanket order was limited to the procurement process for reaching out to prospective bidders.

ENVIRONMENTAL REVIEW

Approval of the recommended blanket purchase order is not a project under the California Environmental Quality Act.

ATTACHMENTS

Attachment A: Bid from Granite Rock Company, RFQ185983

APPROVED BY:

Brad Eggleston, Director Public Works/City Engineer

¹ Bid Table RFQ185983 Granite Rock Company, March 8, 2023

https://www.cityofpaloalto.org/files/assets/public/public-works/public-services/attachment-a-bid-rfq185983-granite-rock-company_1.pdf