

Council Meeting of
September 20, 2011

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Works – Award purchase order for Asphalt Plant Mix and SS1-H Emulsion. Expenditure: Not to exceed \$1,100,000.

Recommendation of the Public Works Director that City Council authorize a purchase order with Sully-Miller Contracting Company DBA Blue Diamond Materials of Brea, CA, in an amount not to exceed \$1,100,000 for asphalt plant mix and SS1-H emulsion (B2011-34), on an as requested basis for a two (2) year period from October 18, 2011 to October 17, 2013.

Funding

Funding is available in the Public Works Department's 2011-2012 Operating Budget. It is anticipated that funding will be available in the Public Works Department's 2012-2013 Operating Budget.

BACKGROUND

The Public Works Department requires hot asphalt plant mix to perform street maintenance work on city streets on a daily basis. Street maintenance crews complete nearly 10 acres of road repairs annually. Public Works crews pick up hot asphalt from a nearby mix plant and transport the material to the work site. The ability to pick up product rather than schedule delivery dates ensures that final field calculations can be adjusted in time for same day and multiple trip same day pickup of product.

ANALYSIS

Notice Inviting Bids were sent to six (6) known asphalt vendors. The bid document requested pricing for 10 asphalt products based on an estimated annual usage.

The bid document stated; "The City's mileage burden rate of \$2.86 (the actual cost of the City vehicle and manpower) multiplied by the number of round trip miles (as posted on mapquest.com) from the City Services Facilities to the vendors location to pick up product multiplied by the vendor's price submittal (multiplied by the anticipate annual usage) will be used to determine the lowest responsible bidder."

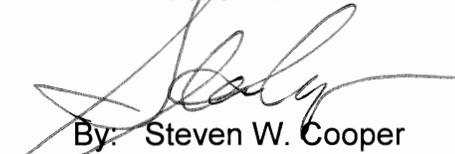
On September 1, 2011, formal bids were opened and the City received the following four (4) responses. All of these bids had a mathematical error either in the unit price extension or in the incorrect mileage total. The bid totals listed below represent corrected totals based on each vendor's unit price and will call location.

Vendor	Total Bid Product Only Without Burden Rate Calculation	Total Bid With Burden Rate Calculation
*Sully-Miller Contracting Co. dba Blue Diamond Materials Brea, CA	\$431,961.00	\$483,019.15
Kelterite Corporation Downey, CA	\$391,150.00	\$504,913.08
Vulcan Materials Company Inc. Irwindale CA	\$437,850.00	\$563,425.45
All American Asphalt Corona, CA	\$537,713.00	\$699,569.27

*Lowest Responsible Bidder

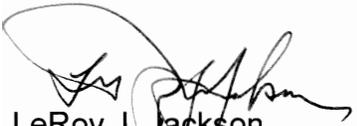
Respectfully submitted,

ROBERT J. BESTE
Public Works Director


By: Steven W. Cooper
Street Operations Manager

CONCUR:


Robert J. Beste
Public Works Director


LeRoy J. Jackson
City Manager