



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**MEMO NO. ST07-021**

**1. Agenda Item Number:**

**29**

**2. Council Meeting Date:**

February 22, 2007

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** January 25, 2007

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Public Works

**5. SUBJECT:** Approve a one-year extension of Contract No. ST6-745-2232 to Cholla Pavement Maintenance, Inc., for asphalt acrylic seal coat on asphalt roadways, in an amount not to exceed \$245,100.

**6. RECOMMENDATION:** Recommend approving the one-year extension of Contract No. ST6-745-2232 to Cholla Pavement Maintenance, Inc., for asphalt acrylic seal coat on asphalt roadways, in an amount not to exceed \$245,100.

**7. HISTORICAL BACKGROUND/DISCUSSION:** Acrylic seal coat is one of the resealing techniques used as part of the City's street maintenance programs. Typically, this material is placed on local streets to protect the surface, to seal the smaller cracks and to extend the life of the pavement. Last year's contract was \$358,000 for 112 lane-miles of roadway at a unit cost of \$2.39 per gallon. This contract extension for \$245,100 is for acrylic seal on about 70 lane-miles of roadway at a cost of \$2.58 per gallon which is an 8% increase over last year. This increase is typical of increasing fuel and oil prices nationally on all oil related products and services. The City residential streets that require sealing are identified in the Street Division's pavement management program and shown on the attached map.

**8. EVALUATION PROCESS:** In January 2006, Council awarded a one-year contract to Cholla Pavement Maintenance, Inc., with four additional one-year extensions upon mutual agreement between the City and contractor. Cholla Pavement Maintenance, Inc. has agreed to extend the contract for an additional year with an eight percent increase due to oil costs. The increase requested by the contractor is close to eight thousand dollars below the second low bidder last year. Staff monitored the contract for the past year and is satisfied with the service being provided by Cholla Pavement Maintenance, Inc. and agrees to the price adjustment request. The contract term will begin March 1, 2007.

**9. FINANCIAL IMPLICATIONS:**

Cost: \$245,100  
Savings: N/A  
Long Term Costs: N/A  
Fund Source:

<u>Acct. No.:</u>	<u>Fund:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
101.3300.0000.6513	General Fund	Street Maintenance	N/A	\$245,100

**10. PROPOSED MOTION:** Move to approve a one-year extension of Contract No. ST6-745-2232 to Cholla Pavement Maintenance, Inc. for asphalt acrylic seal coat on asphalt roadways, in an amount not to exceed \$245,100.

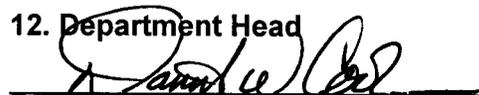
**ATTACHMENT:** Location Map

**APPROVALS**

**11. Requesting Department**

  
Mike Normand, Acting Assistant Public Works Director/Transportation and Operations

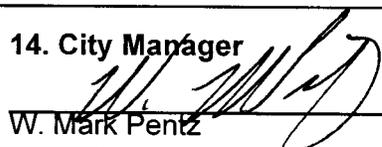
**12. Department Head**

  
Daniel W. Cook, Acting Public Works Director

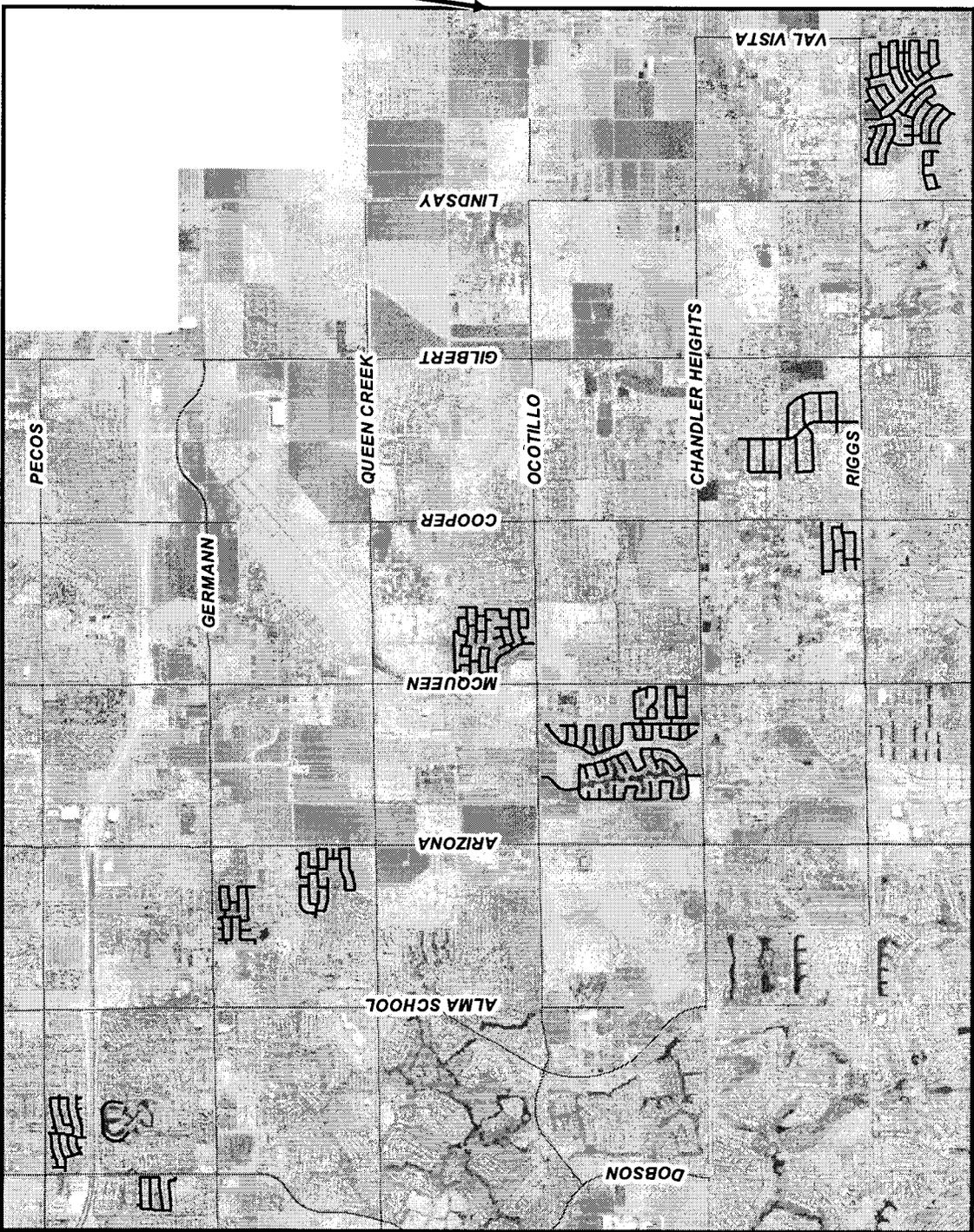
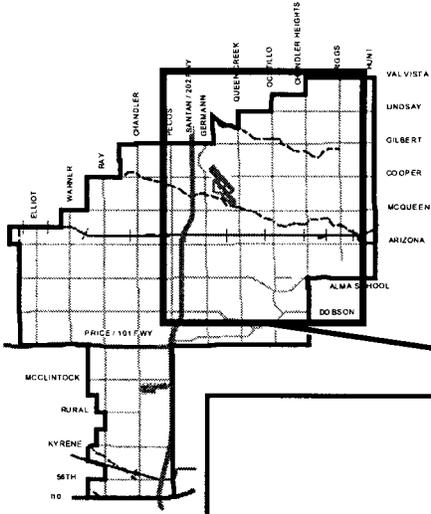
**13. Procurement Officer**

  
Thomas W. North, CPPB

**14. City Manager**

  
W. Mark Pentz

# 2007 ACRYLIC SEAL



MEMO NO. ST07-021

**LEGEND**  
 — 2007 ACRYLIC



**AMENDMENT NUMBER ONE,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER AND CHOLLA PAVEMENT  
MAINTENANCE, INC. FOR ACRYLIS SEAL COAT ON BITUMINOUS PAVED  
SURFACES**

This Amendment #ONE to that certain Agreement Between the City Of Chandler and Cholla Pavement Maintenance, Inc. for Acrylic Seal Coat on Bituminous Paved Surfaces dated 12, January, 2006 between the City of Chandler (CITY) and Cholla Pavement Maintenance, Inc. is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

WHEREAS, the parties have agreed to extend the Contract for one more one year term;

CITY and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree to amend said Service Contract No. ST6-745-2232 in its entirety to read as follows:

**ARTICLE 5 - CONTRACT TERM**

The term of this Contract is for one year commencing on February 1, 2007 and terminating on January 31, 2008 unless sooner terminated as provided herein.

**ARTICLE 6 - CONTRACT PRICE**

6.2 CITY shall pay to CONTRACTOR in accordance with the price list and terms set forth in the Contract, an amount not to exceed Two Hundred Forty-Five Thousand One Hundred Dollars (\$245,100) which sum shall include all costs or expenses incurred by CONTRACTOR payable as set forth in Exhibit B, attached hereto and made a part hereof by reference.

**ARTICLE 9 - BONDS AND INSURANCE**

9.1. Performance, Payment And Other Bonds  
CONTRACTOR shall furnish Performance and Payment Bonds, each in the amount of Two Hundred Forty-Five Thousand Dollars (\$245,000), as security for the faithful performance and payment of all CONTRACTOR'S obligations under this Annual Contract and each of the Project Agreements, provided; however, in the event the total cost of projects concurrently in progress by CONTRACTOR exceeds Two Hundred Forty-Five Thousand Dollars (\$245,000) then CONTRACTOR shall increase each bond to an amount equal to that estimated by CITY as the cost of construction remaining to be done by CONTRACTOR for that year of the Job Order Contract.

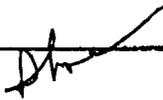
All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this day of \_\_\_\_\_, 2007.

CITY OF CHANDLER:  
  
By: \_\_\_\_\_  
City Manager/designee

CONSULTANT: *Cholla Pavement Maintenance, Inc*  
By: *D Wayne Bridges*  
Title: *Treasurer*

APPROVED AS TO FORM:

City Attorney 

ATTEST:

City Clerk

ATTEST: (If corporation)

  
Secretary

WITNESS: (If individual or Partnership)

\_\_\_\_\_

[SEAL]

Price comparison 2006 vs. 2007

AWARD RECOMMENDATION: **Cholla Pavement**

<b>Cholla Pavement 2006 Pricing</b>		
Furnish and apply acrylic Seal Coat	UOM	Unit Price
	Gallon	\$ 2.39
Parking Lot Resurface	SY	0.45

Cholla Pavement 2007 PRICING

Furnish and apply acrylic Seal Coat	UOM	Qty	Unit Price	Total w/tax
	Gallon	95,000	\$ 2.58	\$245,100.00
Parking Lot Resurface	SY	ea SY	0.49	