



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

MEMO NO. ST07-039

1. Agenda Item Number:

35

2. Council Meeting Date:

June 14, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: May 17, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Approve Project Agreement No. SS07-001 for Contract No. ST6-745-2260 with Southwest Slurry Seal for asphalt emulsion slurry seal and micro seal in an amount not to exceed \$1,050,000.

6. RECOMMENDATION: Approve Project Agreement No. SS07-001 for Contract No. ST6-745-2260 with Southwest Slurry Seal for asphalt emulsion slurry seal and micro seal in an amount not to exceed \$1,050,000.

7. BACKGROUND/DISCUSSION: Slurry seal and micro seal are applied to City streets to preserve and lengthen the life of the asphalt and protect the City's long-term investment.

This product of a polymer-modified asphalt along with small aggregate adds a new riding surface to the pavement and will provide added years to the pavement life. These sealants are used throughout the valley as a staple of street maintenance. Southwest Slurry Seal has performed this type of work in the valley for over fifteen (15) years and the City continues to be satisfied with their pricing and their performance quality.

This project agreement is for an estimated 437,000 square yards of slurry and micro-seal applications to local, collector and arterial streets throughout the City, plus some allowance for unanticipated needs. In FY 2006/2007, the City completed 1,120,000 square yards of Microseal and 553,000 square yards of slurry seal (two fiscal years budgeted amount).

8. EVALUATION PROCESS: In May 2006, Council awarded a one-year contract, from June 1, 2006 to May 31, 2007, with four one-year extensions. In May 2007, Council extended the contract for an additional year in an amount not to exceed \$1,500,000. This project agreement is pursuant to that annual agreement. Staff has reviewed the scope of work, billing rates, and total fee for this project agreement, compared them to historical and contract bid unit costs, and has determined that they are acceptable.

9. FINANCIAL IMPLICATIONS:

Total Contract Amount	\$1,500,000
Prior Approved Service Agreements	-\$ 0)
Service Agreement Number 1*	<u>-\$1,050,000)</u>
Remaining Contract Funds	\$ 450,000

This is a FY2007/2008 project anticipated to start in Spring or Summer of 2008.

<u>Acct No.</u>	<u>Fund</u>	<u>Program Name</u>	<u>CIP Funded</u>	<u>Funds</u>
101.3300.0000.6513	Gen Fund	Street Maintenance	N/A	\$1,050,000

*Contract work only issued when CIP and Operational Budget is approved and adopted by Council.

10. PROPOSED MOTION: Move to approve Project Agreement No. SS07-001 for Contract No. ST6-745-2260 with Southwest Slurry Seal for asphalt emulsion slurry seal and micro seal in an amount not to exceed \$1,050,000.

ATTACHMENTS: Location Map, Project Agreement No. One

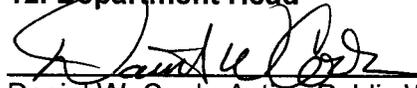
APPROVALS

11. Requesting Department



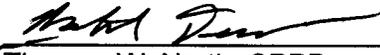
Mike Normand, Acting Assistant Public Works Director/
Transportation & Operations

12. Department Head



Daniel W. Cook, Acting Public Works Director

13. Procurement Officer.



Thomas W. North, CPPB

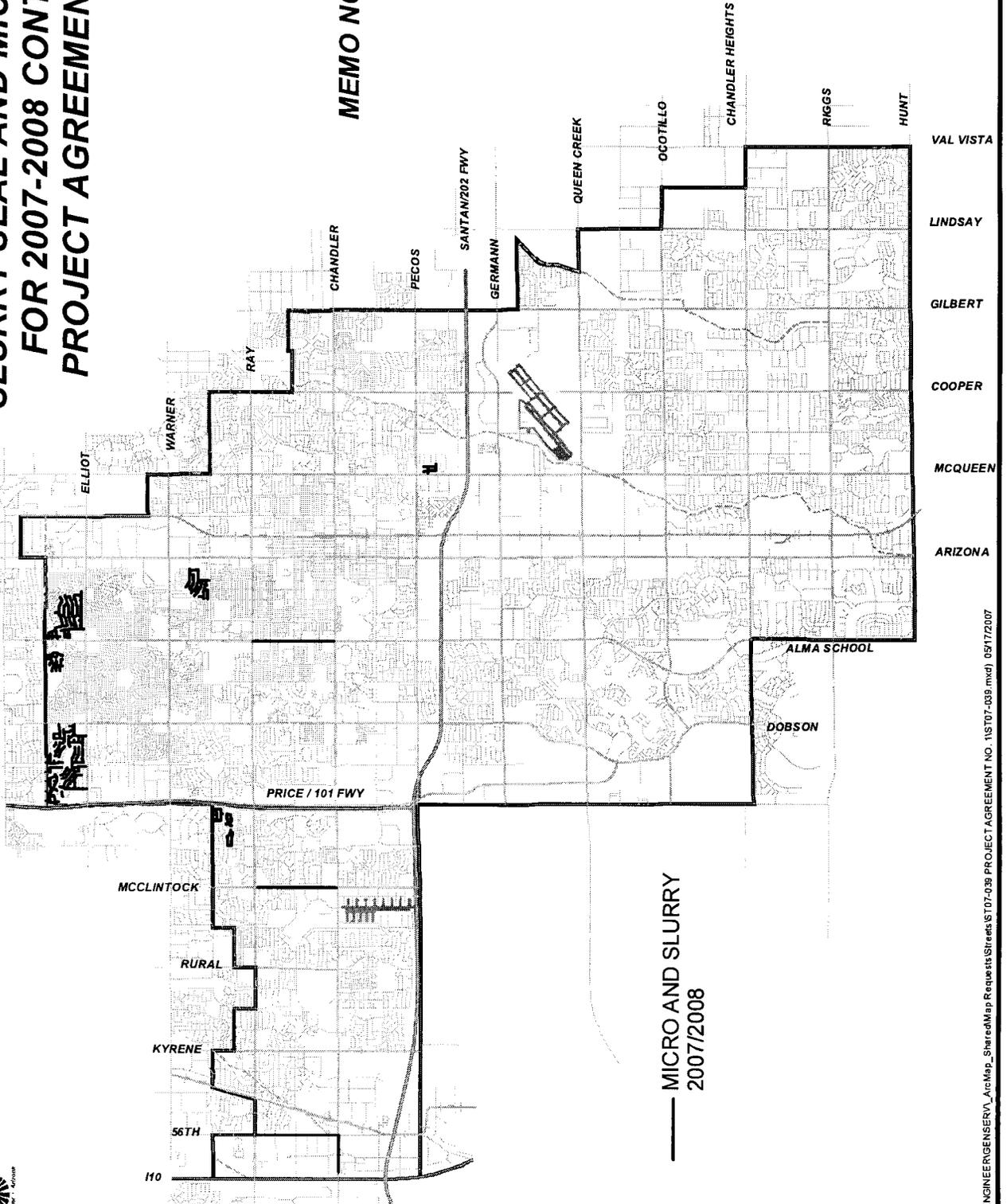
14. City Manager



W. Mark Pentz

**SLURRY SEAL AND MICRO SEAL
FOR 2007-2008 CONTRACT
PROJECT AGREEMENT NO. 1**

MEMO NO. ST07-039



**— MICRO AND SLURRY
2007/2008**



**PROJECT AGREEMENT
PURSUANT TO ANNUAL CONTRACT NO. ST6-745-2260**

AGREEMENT NO: SS07-001
PROJECT NAME (or LOCATION): Annual Slurry Seal and Micro Seal
DEPT.: Public Works

This AGREEMENT is made this 14th day of June 2007, by and between the City of Chandler, a municipal corporation (hereinafter referred to as "CITY") and Southwest Slurry Seal, Inc. (hereinafter referred to as "CONTRACTOR") and is a Project entered into pursuant to ANNUAL CONTRACT NO. **ST6-745-2260**.

CITY and CONTRACTOR, in consideration of the mutual covenants herein set forth, agree as follows:

ARTICLE 1. DESCRIPTION OF WORK

The CONTRACTOR shall provide micro seal or slurry seal surface treatments to approximately 437,000 square yards of existing roadway as developed annually by the City's computer software street maintenance or rehabilitation program each year. The scope of work consists of all the roadways identified in Exhibit A attached hereto and incorporated herein by reference. The attached drawings labeled "Exhibit A" are copies of the construction location sketches provided to the contractor. Also attached and labeled "Exhibit B", is a list of quantities and their unit costs. The CONTRACTOR shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract amendment or change order and signed by the authorized signatories for each party.

ARTICLE 2. CONTRACT PRICE

CITY shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents a fee not to exceed the Guaranteed Maximum Price One million fifty thousand Dollars (\$1,050,000) determined and payable in accordance with the unit prices as set forth the Annual Contract No. **ST6-745-2260**.

ARTICLE 3. CONTRACT TIME & SCHEDULE

The Contract Time is 365 calendar days and CONTRACTOR agrees to complete this work within from the effective date of this Project Agreement in accordance with the schedule attached hereto as Exhibit C and incorporated herein by reference.

ARTICLE 4. GENERAL

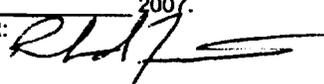
This Project Agreement is entered into pursuant to ANNUAL CONTRACT NO. **ST6-745-2260** and the terms and conditions contained therein are incorporated herein by reference as if set forth in full.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

This Agreement will be effective upon execution by the both parties.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this _____ day of _____, 2007.
CITY OF CHANDLER

MAYOR

FOR THE CONTRACTOR: 
By: Richard Francis
Title: Vice President

ADDRESS FOR NOTICE
City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

ADDRESS FOR NOTICE
Southwest Slurry Seal, Inc.
22855 N. 21st Avenue
Phoenix, AZ 85027-2034
Phone _____

APPROVED AS TO FORM:

City Attorney 
ATTEST: