



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

MEMO NO. ST08-005

1. Agenda Item Number:

24

2. Council Meeting Date:
September 6, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: August 9, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: One-year extension of Contract No. PW4-745-2051 with Cholla Pavement Maintenance, Inc. for crack sealing in an amount not to exceed \$200,000.

6. RECOMMENDATION: Recommend one-year extension of Contract No. PW4-745-2051 with Cholla Pavement Maintenance, Inc. for crack sealing in an amount not to exceed \$200,000.

7. BACKGROUND/DISCUSSION: Crack sealing is an important step in the repair process for our streets. Crack sealing protects the pavement structure by sealing cracks and preventing water from getting into and deteriorating the roadway base material. The crack repair process is accomplished by blowing the cracks clean with compressed air and then filling them with hot crack sealant material. This crack seal work is typically completed one to six months in advance of acrylic seal, slurry seal and microseal applications. This contract includes traffic control, cleaning and filling of roadway cracks (see attached location map). The City provides the crack sealing material to save on crack fill material costs.

8. EVALUATION PROCESS: In September 2003, Council awarded a one-year contract, from November 1, 2003 to October 31, 2004, with the option for four one-year extensions. This is the fourth contract extension. Staff has monitored the contract for the past year and is satisfied with the services provided by Cholla Pavement Maintenance, Inc. The contractor has agreed to extend the contract for an additional year with a 6.4 percent price increase for arterial streets and no increase for residential streets as follows:

Type of Roadway	2006-07 Unit Cost	2007-08 Unit Cost
Arterial Streets	\$0.156/LF	\$0.166/LF
Residential Streets	\$0.133/LF	\$0.133/LF

The increase results from rising fuel prices and labor increases over the past year. The contract term will begin November 1, 2007. By extending the contract the City will avoid administrative costs associated with rebidding.

9. FINANCIAL IMPLICATIONS:

Cost: \$200,000
Savings: N/A
Long Term Costs: N/A

<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	\$200,000

10. PROPOSED MOTION: Move to extend Contract No. PW4-745-2051 with Cholla Pavement Maintenance, Inc. for one year for crack sealing in an amount not to exceed \$200,000.

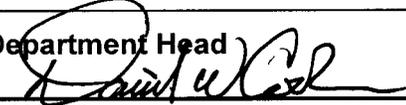
ATTACHMENT: Location Map

APPROVALS

11. Requesting Department


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

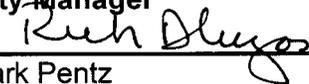
12. Department Head


Daniel W. Cook, Acting Public Works Director

13. Procurement Officer


Sharon Brause, CPPB

14. City Manager


W. Mark Pentz

**AMENDMENT NUMBER FOUR,
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
CHOLLA PAVEMENT MAINTENANCE INC.
For Asphalt Rubber Crack Sealing
Contract No. PW4-745-2051**

This Amendment #4 to that certain Agreement Between the City Of Chandler (CITY) and Cholla Pavement Maintenance Inc. (CONTRACTOR) for Asphalt Rubber Crack Sealing dated September 1, 2003 and the City is entered into this _____ day of _____, 2007.

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

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, November 1, 2007 through October 31, 2008.
2. Section 4 of the Contract is hereby amended to increase the Contract price to add an additional amount not to exceed Two Hundred Thousand Dollars (\$200,000) 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.
3. On or before this Contract Amendment is approved by the City Council, Contractor shall furnish a fully executed performance bond in such form and context as determined by the City form and approved by a surety and the City. Said bond shall be in the amount of Two Hundred Thousand dollars (\$200,000.00).
4. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 9th day of August, 2007.

CITY OF CHANDLER:

By: _____
MAYOR

CONTRACTOR:

By: W. Wayne Briggs
Title: Treasurer

APPROVED AS TO FORM:

City Attorney JK

ATTEST:

City Clerk

ATTEST: (If corporation)

Robert Akers
Secretary

**EXHIBIT B
PRICING – FY 07/08**

Arterial Roads - \$0.166 per lineal foot (previous pricing - \$0.156 per lineal foot)
Residential Streets - \$0.133 per lineal foot (pricing shall remain unchanged)

Projected Cost - \$200,000.00

2008 CRACKSEAL CONTRACT

MEMO NO. ST08-005



LEGEND

	CRACKSEAL
	NO CRACKSEAL

