



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

Memo No. ST09-004

1. Agenda Item Number:

35

2. Council Meeting Date:
September 25, 2008

TO: MAYOR & COUNCIL

3. Date Prepared: September 5, 2008

THROUGH CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Approve the use of Maricopa County Contract #07003 for Asphalt Concrete Mix with Cemex Construction Materials in the amount of \$50,000.

6. RECOMMENDATION: Approve the use of Maricopa County Contract #07003 for Asphalt Concrete Mix with Cemex Construction Materials in the amount of \$50,000.

7. HISTORICAL BACKGROUND/DISCUSSION:

Hot mix asphalt material is used in the repair and maintenance of City streets and is an essential material to have readily available at a reasonable price. The Streets Division has had an annual agreement for hot mix for the past eleven years. Vulcan Materials Company was our supplier for hot mix asphalt and they are refusing to supply material to the City at the contracted price. The City has taken steps to begin cancellation of the contract with Vulcan Materials
If we utilize this contract with Maricopa County we will have a source to continue purchase of hot mix for our street repairs and maintenance.

8. EVALUATION PROCESS: Maricopa County issued a cooperative bid for Asphalt Concrete Mix in March 2007 with options to renew for two (2) additional one-year periods. This is the first renewal. In March, 2008 City Council approved renewal of a current contract with Vulcan Materials; however, in July 2008 they requested a price increase and Vulcan is refusing to sell material to the City at our contract. Since that time, the contractor has refused to sell asphalt to the City. By utilizing the Maricopa County contract, the City is able to expedite the services and save costs associated with the bid process as well as have the opportunity to participate in discounts not normally available to the City. A purchase order will serve as our contract.

9. FINANCIAL IMPLICATIONS:

| | | | | |
|--------------------|--------------|-----------------------|--------------------|---------------|
| Cost: | \$50,000 | | | |
| 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> |
| 215.3300.0000.5332 | HURF | Construction Material | N/A | \$ 50,000 |

10. PROPOSED MOTION: Move to approve the use of Maricopa County Contract #07003 for Asphalt Concrete Mix with Cemex Construction Materials in the amount of \$50,000.

APPROVALS

11. Requesting Department

for

Daniel W. Cook, Deputy Public Works Director

12. Department Head

R.J. Zeder, Public Works Director

13. Procurement Officer

Sharon Brause, CPPB

14. City Manager

W. Mark Pentz