



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

MEMO NO. ST10-009

1. Agenda Item Number:

25

2. Council Meeting Date:
September 10, 2009

TO: MAYOR & COUNCIL

3. Date Prepared: August 6, 2009

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Approve utilization of Arizona Department of Transportation (ADOT) Contract No. T0721A0067 for the purchase of asphalt rubber crack sealant material from Crafcoc Inc. in an amount not to exceed \$170,000.

6. RECOMMENDATION: Recommend approval of the utilization of ADOT Contract No. T0721A0067 for the purchase of asphalt rubber crack sealant material from Crafcoc Inc. in an amount not to exceed \$170,000.

7. BACKGROUND/DISCUSSION: The Streets Division needs to purchase 540,000 pounds of asphalt rubber crack sealant material for the City's upcoming crack sealing projects. The Poly Flex III material manufactured by Crafcoc Inc., a Chandler-based company, is an approved material for crack sealing work on City streets and has been used the past seventeen years for the following reasons:

1. Poly Flex 111 is specially formulated to withstand the high temperatures of Arizona.
2. The product does not track on the streets and does not pick up and get carried into driveways or houses, reducing the amount of complaints the City receives when this work is performed.
3. The material is a very stable and durable product.

Based on the past twenty year history of utilizing this product and the above noted benefits, the Streets Division recommends continued use of this material. The ADOT delivered price is \$0.3096 per lb, plus tax. City of Tempe recently bid this contract (07/09) for crack seal material and received a price of \$0.3290 per pound. Recent bid for crack seal material for Yavapai County material is \$0.37 per pound. Due to the recent pricing received from other agencies, we are recommending use of the ADOT contract. Increased asphalt material and national escalating costs are reflected in this price.

8. EVALUATION PROCESS: The original ADOT contract was bid in April 2007. The price has been increased 2 times since it began. By utilizing the ADOT contract, the City will save costs associated with the bid process and have the opportunity to participate in discounts not normally available to the City. The ADOT contract price is the better price in comparison to Tempe and Yavapai County. ADOT is the state agency that is responsible for contracting for many public works related commodities and services and we have a cooperative purchasing agreement with the State. A purchase order will be used as the contract to purchase these items.

9. FINANCIAL IMPLICATIONS:

Cost: \$170,000

Savings: N/A

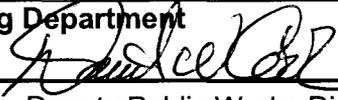
Long Term Savings: N/A

<u>Acct No.:</u>	<u>Fund:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
101.3300.0000.6513	General Fun	Street Maintenance	N/A	\$170,000

10. PROPOSED MOTION: Approve utilization of ADOT Contract No. T0721A0067 for the purchase of asphalt rubber crack sealant material from Crafcoc Inc. in an amount not to exceed \$170,000.

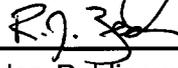
APPROVALS

11. Requesting Department



Daniel W. Cook, Deputy Public Works Director

12. Department Head



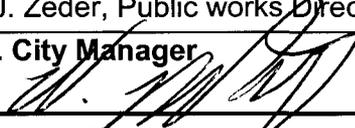
R.J. Zeder, Public works Director

13. Procurement Officer



Sharon Brause, CPPB, CFCP

14. City Manager



W. Mark Pentz, City Manager