



Legislation Text

File #: 16-353, **Version:** 1

AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH CALMAT CO., DOING BUSINESS AS VULCAN MATERIALS COMPANY, AND APPROVE THE EXPENDITURE OF FUNDS FOR ROAD MATERIALS

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a linking agreement with Calmat Co., doing business as Vulcan Materials Company (Vulcan), for the purchase of road materials (materials) and approve expenditure of funds in an amount not to exceed \$100,000 for the initial term; and authorize the City Manager, at his discretion, to extend the agreement for four additional one-year terms, in an amount not to exceed \$500,000 for the entire term of the agreement. This cooperative purchase is available through an agreement between the City of Peoria and Vulcan, contract ACON24016, and can be extended through May 31, 2021.

Background

The Water Services Department functions to provide safe and reliable water and wastewater services for City of Glendale residents and businesses. Road materials are used by Water Services crews to backfill excavation work after water main or sewer line repairs. These materials include a mixture of rock and sand used as a sub-grade to prevent road settling and cold-mix asphalt for temporary pavement prior to the permanent pavement restorations. A bulk inventory is maintained for daily and emergency use.

Analysis

Cooperative purchasing allows counties, municipalities, schools, colleges, and universities in Arizona to use a contract that has been competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. The cooperative purchase is compliant with Chapter 2, article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

On June 1, 2016, City of Peoria entered into an agreement, contract ACON24016, with Vulcan for materials. The agreement permits its cooperative use by other governmental agencies. The City of Glendale Materials Management and the City Attorney offices have reviewed and approved the utilization of this agreement for the defined parts and/or services, and concur the cooperative purchase is in the best interest of the City.

Previous Related Council Action

On June 23, 2015, City Council approved the linking agreement with Vulcan Asphalt, LLC and the expenditure of funds for road materials.

On June 10, 2014, City Council approved the expenditure of funds for materials from Mesa Materials (Vulcan Asphalt purchased the firm in August 2014).

Community Benefit/Public Involvement

Restoring road surfaces for motorists and pedestrians in a timely and cost efficient manner provides a safe environment for residents and business. Purchasing from cooperative contracts provides both competitive and optimal pricing for equipment and services.

Budget and Financial Impacts

Funding for the annual amount is available in the Water Services FY2016-17 operating budget. Annual budget appropriation thereafter is contingent upon Council approval.

Cost	Fund-Department-Account
\$100,000	2400-17290-524400, Water Distribution
	2420-17630-524400, Wastewater Collection
	2420-17630-524400, Storm Water

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?