

**Council Meeting: October 19, 2010****SUBJECT: Authorization to Modify an Existing Contract for Aggregate, Crushed Granite and Sand (F1009-29)****BACKGROUND**

Approval is requested to modify an existing blanket order with S&S Trucking of Oakland to supply aggregate (base rock), crushed granite and sand for Public Works/Field Services by increasing the not to exceed value of the two year contract from \$100,000 to \$125,000.

DISCUSSION

Aggregate (Base Rock), crushed granite and sand are used by Field Services in sewer and waterline operations. Traditionally these materials are competitively bid for two year contracts for both a primary and backup supplier based on estimated quantities provided by Field Services staff. Invitation for Bids (IFB) No. F0805-80 for these materials was issued May 21, 2009, and two year contracts under the City Manager's contract authority were awarded to S&S (primary) and Andrade Trucking (backup) for these materials.

Unanticipated usage of base rock in waterline field repairs has resulted in increased expenditures on the primary blanket order for supply. During this contract period, Field Services has seen an increase in waterline service breaks, and gate valve and hydrant repairs due to aging infrastructure. All these repairs use base rock as backfill. Additionally, the City suffered a significant break at the Palomar Hetch Hetchy water connection and sitework was required before the start of the Wolfe-Evelyn water tank painting project. As a result, Council approval will be required to continue to use the S&S blanket order. Funds are available in the backup contract with Andrade Trucking, but the unit price on base rock is approximately 1.5 times higher than S&S (\$16.75/ton versus \$10.25/ton). An increase of \$25,000 in the value of the S&S contract will be sufficient for the duration of the contract, which expires June 30, 2011.

FISCAL IMPACT

The total value of the contract will increase by \$25,000, from \$100,000 to \$125,000. Budgeted funds are available in various Field Services operating programs.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

RECOMMENDATION

It is recommended that Council modify an existing blanket purchase order with S&S Trucking, in substantially the same form as the attached draft Change Order, by increasing the total contract value by \$25,000, making a total two year contract amount not to exceed \$125,000.

Reviewed by:

Grace K. Leung, Acting Director of Finance
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Marvin Rose, Director of Public Works

Approved by:

Gary M. Luebbbers
City Manager

Attachments

A. Draft Blanket Purchase Order



ORDERED FROM 17731 - 001 S & S Trucking 477 Roland Way Oakland, CA 94621-2014 DRAFT	ORDER DATE 	BILL TO: City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale, CA 94088-3707
	EFFECTIVE DATE 7/1/2009	
	EXPIRATION DATE 6/30/2011	
	CONTRACT AMOUNT \$125,000.00	
REQUISITIONING DEPARTMENT (9020) DPW/Field Services Admin	FOB DEST	FREIGHT CHARGES Destination, freight included in price
	PAYMENT TERMS N/30	BID NO

ITEM	DESCRIPTION	UNIT	UNIT COST
1	Blanket order for the supply of Aggregate, Crushed Granite and Sand as required by the City during a two-year period in accordance with the specifications, terms, and conditions set forth in Invitation for Bids No. F0805-80. Aggregate, Base Rock (untreated) (Primary Supplier) Minimum delivery - 50 tons	TN	\$10.2500
2	Crushed Granite/Fine (Primary Supplier) Minimum delivery - 50 tons	TN	\$35.0500
3	Crushed Granite/Medium (Primary Supplier) Minimum delivery - 50 tons	TN	\$35.0500
4	Olympia # 2 Sand (Secondary Supplier) Minimum delivery - 50 tons Purchase Requisition #RQ004888 Pricing does not include sales tax. This purchase order replaces BL000647. Change order #1 - Increase the total contract value by \$25,000.00, from NTE \$100,000.00 to NTE \$125,000.00 Approved by Council 10/19/2010, RTC #10- ____ Purchase Requisition # RQ007020	TN	\$35.2500

AUTHORIZED DEPARTMENT(S)		
NO	DEPT NAME	RELEASE AMT
9020	DPW/Field Services Admin	\$20,000.00
9022	DPW/FS - Streets & Lights	\$20,000.00



DOCUMENT TERMS

This purchase order is subject to the City of Sunnyvale Standard Terms and Conditions for the Purchase of Goods, dated 1/15/2000, a copy of which is attached and incorporated by reference (Form #TCBPO-G).

BUYER:

Gakle, David

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