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**Title:** CONSIDER AMENDMENT TO BLANKET PURCHASE ORDER WITH VULCAN MATERIALS COMPANY IN THE AMOUNT OF \$60,000

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**Attachments:** 1. Vulcan Materials Quote, 2. 2022-3-07\_MEMO\_Vulcan-Contract-Waiver

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**Report to Mayor and City Council**

Tuesday, March 15, 2022

Consent

**SUBJECT:**

**CONSIDER AMENDMENT TO BLANKET PURCHASE ORDER WITH VULCAN MATERIALS COMPANY IN THE AMOUNT OF \$60,000**

**I. SUMMARY**

City Council approval is requested to authorize the Purchasing Department to appropriate additional funds to the blanket purchase order agreement, PO #22200449, for Vulcan Materials Company, "Vulcan."

With the purchase of new equipment, the Right of Way crews have completed significantly more pavement work, necessitating additional pavement-related purchases to complete the year. This represents a significant improvement in productivity over previous years.

Because Vulcan is the only vendor close enough to the City of Carson to provide needed asphalt hot mix materials without cooling, the City Council is being asked to approve amendment of an existing purchase order with Vulcan in the amount of \$60,000 and waive the bidding requirements for this existing vendor under the sole source exception.

**II. RECOMMENDATION**

TAKE the following actions:

1. AUTHORIZE the Purchasing Division to amend PO #22200449 for Vulcan to an amount not to exceed \$84,999;
2. WAIVE the bidding requirement utilizing the sole source exception under Section 2611 (e) of the CMC.

### **III. ALTERNATIVES**

1. TAKE another action the City Council deems appropriate.

### **IV. BACKGROUND**

The City's Purchasing Ordinance, Section 2611(e), "Sole Source Purchasing," provides that the "City Manager may dispense with this Chapter's bidding requirements if he or she finds that the materials, supplies, equipment, or services are unique because of their quality, durability, availability, or fitness for a particular use and are available only from one (1) source, or, if available from more than one (1) source, can be purchased from the manufacturer or service provider for a lower price. If the cost of such sole source purchasing is \$25,000 or greater, then the City Council's approval shall be required." The City Council is being asked to approve a sole source procurement for purchase of \$60,000 of materials.

#### **Vulcan Materials Company**

The City maintains approximately 203 lane-miles pavement which require routine maintenance, repair, and sometimes total replacement. A purchase order was established in July 2021 for purchase from Vulcan paving and asphalt concrete materials used for maintenance of City infrastructure. The materials needed by City must be delivered at a certain temperature to be usable by City. Long transportation routes would severely impact the hot mix asphalt; the materials would cool down, become more rigid, and lose their pliability. Pliability of the materials is needed so that staff can easily apply the hot mix. However, once cold and rigid the mix becomes almost impossible to create a smooth and flat surface; accordingly, this material requires expedient delivery from a close location to preserve the workability of the product.

Vulcan delivers its materials from 2715 E. Washington Blvd in Los Angeles. Outside of Vulcan, there are only two somewhat local vendors that could provide these materials, one being located in Irvine and the other in Temecula. However, these locations are too far from the City of Carson for product deliveries to be usable by City. It should be noted here that vendors from these locations did provide quotes, but these quotes also exceeded the quote provided by Vulcan.

Finally, it should also be noted that Section 2605(b)(ii) of the CMC requires City to enter into a contract for purchases of any personal property, including materials, supplies and equipment, of \$25,000 or more over a fiscal year, unless the City Manager (as Purchasing Manager) waives this requirement. The City Manager has waived such contract requirement.

Therefore, Public Works is requesting a sole source approval for Vulcan because it retains the only facility close enough to the City of Carson providing the required hot mix asphalt concrete that is usable by the City. The City has a current blanket purchase order with Vulcan totaling \$24,999. Vulcan is the current vendor for asphalt concrete maintenance needs; an additional amendment of \$60,000 is needed to continue street maintenance through FY 2021/2022.

## **V. FISCAL IMPACT**

There is no impact to the general fund. This is not an appropriation of additional funds; the amounts have been appropriated and the amounts requested for the blanket purchase order amendments will be funded from account 101-80-840-281-6009.

## **VI. EXHIBITS**

1. Vulcan Materials Quotation

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