

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JEREMY GUNDY, DEPUTY DIRECTOR, TRANSPORTATION
AND PUBLIC WORKS DEPARTMENT
BRANDALYN TRAMEL, PURCHASING AGENT, FINANCE
DEPARTMENT

SUBJECT: APPROVAL – WAIVER OF COMPETITIVE BID AND ISSUANCE
OF BLANKET PURCHASE ORDERS FOR ASPHALT CONCRETE
SUPPLIES TO BODEAN CO., INC., AND SYAR INDUSTRIES,
INC.

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works, Finance, and Water Departments that City Council, approve a Waiver of Competitive bid and award two (2) one-year Blanket Purchase Orders (BPO), each with four (4) one-year extension options to Bodean Co., Inc., Santa Rosa, California, in the total amount not to exceed \$550,000 and to Syar Industries, Inc., Napa, California, in the total amount not to exceed \$550,000.

EXECUTIVE SUMMARY

On July 11, 2022, the City's current General Service Agreement for asphalt supply with Syar Industries, Inc. will expire. Staff recommends that Council approve a waiver of competitive bid and approve issuance of two new blanket purchase orders will be issued to Bodean Co., Inc. and Syar Industries, Inc. each of which will include an agreed upon price adjustment formula that will justify any future changes in pricing and will allow for pricing to remain flexible without the need to continuously amend they blanket purchase orders.

BACKGROUND

On March 30, 2017, Invitation for Bids (IFB) 17-20, solicited by the City for the purchase of asphalt concrete supplies was opened by the Purchasing Agent. Asphalt concrete supplies, including various types of hot and cold asphalt concrete mix, are used by the

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City Transportation and Public Works and Water Departments, and is picked up and dropped off at the vendors plants by City staff.

As a result of IFB 17-20 it was determined that Bodean Co., Inc., and Syar Industries, Inc., are the only vendors within the physical vicinity of the City of Santa Rosa that can provide this product. Due to high demand during the summer months, the Transportation and Public Works, and Water Departments have requested that both vendors be awarded BPOs to ensure that product is always available.

PRIOR CITY COUNCIL REVIEW

Not Applicable

ANALYSIS

Syar Industries, Inc., and Bodean Co., Inc., are the two vendors that can fulfill the City's need for asphalt supply. The vendors proximity to City projects is a cost-effective benefit and ensures that staff will have options in purchasing asphalt supply.

Under the City's Contract/Purchase City Code 3-08-110(A) Award Authority, this award requires approval by the City Council.

The Office of the City Attorney has approved the use of blanket purchase orders in lieu of general service agreements, as this is a goods purchase/delivery, picked up and hauled by City staff at various locations as goods are needed. Both vendors have agreed to City's terms and conditions as well as the aforementioned price structure.

The City's standard purchase order terms and conditions also require vendors to comply with applicable law, including the City Code where operating in City limits. Under the previous General Services Agreements with these vendors, the City has suspended operations with vendors that are determined to be in violation of City Code. Under the City's Standard Purchase Order terms and conditions, the City has the authority, where a vendor is in violation of the City Code, to (1) suspend pickup and delivery of product under the BPO until such violations are resolved without having to incur any City costs; and/or (2) terminate the BPO.

FISCAL IMPACT

Funds for this operational expense have been appropriated in Fiscal Year 2021-22 within the various Department's operating budgets and as a regular operating expenditure and will be included in subsequent years' budget requests when presented to the City Council.

ENVIRONMENTAL IMPACT

All maintenance projects for which products purchased from Bodean Co., Inc. and Syar Industries Inc., will be reviewed in compliance with the California Environmental Quality Act (CEQA) based on their own merits. As such, this action is exempt from CEQA because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

- Resolution

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