



Legislation Details (With Text)

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Title: Waive the applicable provision of the Naperville Procurement Code and award Procurement 23-058, Hot Mix Asphalt, to Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro Asphalt, RW Dunteman, and Superior Asphalt Materials for an amount not to exceed \$200,000 and for a one-year term (requires six positive votes)

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
3/7/2023	1	City Council	approved	

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Waive the applicable provision of the Naperville Procurement Code and award Procurement 23-058, Hot Mix Asphalt, to Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro Asphalt, RW Dunteman, and Superior Asphalt Materials for an amount not to exceed \$200,000 and for a one-year term (requires six positive votes)

DEPARTMENT: Department of Public Works

SUBMITTED BY: Richard Dublinski, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The Department of Public Works (DPW) maintains approximately 500 centerline miles of pavement. This requires the use of hot mix asphalt (HMA) to perform day-to-day maintenance and emergency repairs. HMA is also used as part of the Pavement Improvement Program (CIP# SC223) and is required to comply with the latest edition of the State of Illinois standard specifications for hot mix asphalt material.

HMA plants typically require a minimum of 500 tons of material to be produced per day in order to operate. The total quantity that DPW typically needs for maintenance and repairs does not meet this requirement. As such, DPW is dependent upon other users requesting material and the supplier producing the correct mix in order to be able to obtain material for its HMA projects. If the HMA plant is not operating, or not producing the HMA mix that DPW requires that day, DPW must call other

suppliers to determine if they are producing the required mix.

Prior to 2019, DPW solicited bids for HMA. However, each year since 2013, the only response came from Chicago Materials Corporation (K-Five). When staff contacted other vendors to determine why they chose not to bid, their responses were: 1) demand uncertainty, and 2) the general sense that the City would use Chicago Materials Corporation due to its proximity.

In May of 2019, as an alternative procurement method, staff identified six HMA suppliers within a 35-mile radius of the City of Naperville. A 35-mile radius was chosen to offset trucking costs and HMA temperature concerns. HMA must be applied above a minimum temperature in order for it to be properly compacted. The identified suppliers included: Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro, RW Dunteman, and Superior Asphalt Materials.

The City Council approved the use of this procurement method as a pilot and awarded Procurement 19-152, Hot Mix Asphalt, to the six identified suppliers for a one-year period. This program was designed to give DPW the flexibility to use multiple area vendors to ensure that the material would be available when needed. Based on the success of the initial pilot program, the City Council has approved a similar award using the same alternative procurement method in 2020, 2021 and 2022.

Chicago Materials Corporation is the closest facility, thus minimizing associated trucking costs. However, to ensure that DPW could obtain hot mix asphalt when needed, staff recommended that the City Council approve this award to all the identified HMA suppliers within a 35-mile radius.

DISCUSSION:

A waiver to Section 1-9B-4 (Methods of Source Selection) of the Naperville Code is required because the recommended process is not one of the enumerated methods under the Code. Staff recommends awarding the contract to Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro, RW Dunteman and Superior Asphalt Materials.

The program proved to be an effective method of procuring HMA. In 2022, DPW procured HMA on 63 days. HMA was procured from Chicago Materials Corporation on 53 occasions, from Ferro Asphalt on six occasions, and from Superior Asphalt on four occasions. The daily rate for the HMA remained consistent throughout the 2022 season, with almost no variance in pricing amongst suppliers. As such, staff does not anticipate the need in 2023 to lock in a rate for the season.

In addition to the day-to-day maintenance and emergency repair by DPW crews in 2023, HMA will be used for the Pavement Improvement Program and to pave drive aisles in selected City parking lots and other City-owned properties.

The term of this procurement method is one year from April 1, 2023 through March 31, 2024.

FISCAL IMPACT:

CIP #: SC223

Hot mix asphalt is expensed to the operating supplies and infrastructure accounts listed below. A total of \$92,500 has been budgeted for street maintenance supplies, including hot mix asphalt in 2023. In addition, \$125,000 has been budgeted for work related to SC223, Pavement Improvement Program. The requested award of \$200,000 is within the budgeted amount for this expense.

Account Number	Fund Description	Total Budget Amount
31251100-541407	General Fund	\$539,456
31252400-551502	Road and Bridge Fund	\$125,000