



Legislation Details (With Text)

File #: 21-0275 **Version:** 1
Type: Procurement Award **Status:** Passed
File created: 2/16/2021 **In control:** City Council
On agenda: 3/2/2021 **Final action:** 3/2/2021
Title: Approve the award of Procurement 21-113, Hot Mix Asphalt, to Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro, RW Dunteman and Superior Asphalt Materials for an amount not to exceed \$200,000 and for a one-year term

Sponsors:

Indexes:

Code sections:

Attachments: 1. CIP

Date	Ver.	Action By	Action	Result
3/2/2021	1	City Council	approved	

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Procurement 21-113, Hot Mix Asphalt, to Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro, RW Dunteman and Superior Asphalt Materials for an amount not to exceed \$200,000 and for a one-year term

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 SC-223) 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 its proximity.

In 2019, 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 include: Arrow Road Construction, Builders Asphalt, Chicago Materials Corporation, PT Ferro, RW Dunteman, and Superior Asphalt Materials.

In May 2019, the City Council approved the use of an alternative procurement method as a pilot and awarded Procurement 19-152, Hot Mix Asphalt, to the six identified suppliers for a one-year period. This pilot program was designed to give DPW the flexibility to use multiple area vendors to ensure that the material would be available when needed. In April 2020, based on the success of the initial pilot program, the City Council again approved a similar award using the same alternative procurement method.

Chicago Materials Corporation is the closest facility to the City, 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:

The pilot program proved to be an effective method of procuring HMA. In 2020, DPW procured HMA on 57 days. For the majority of instances (51) the HMA was received from Chicago Materials Corporation and in six instances from Superior Asphalt. The daily rate for the HMA remained consistent throughout the 2020 season. As such, staff does not anticipate the need in 2021 to lock in a rate for the season.

In addition to the day-to-day maintenance and emergency repair by DPW crews in 2021, HMA will be used for the Pavement Improvement Program and to pave drive aisles in selected City parking lots and other City owned property.

The term of this procurement method is one year from April 1, 2021 through March 31, 2022.

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 2021. 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	\$517,735
31252400-551502	Road and Bridge Fund	\$125,000