



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Grant Yates, City Manager

Prepared by: Jason Simpson, Assistant City Manager

Date: February 28, 2017

Subject: Purchase of Class II Base Material from Chandler Aggregates Inc. for the RV Resort Storage Project (CIP Project #Z40007)

Recommendations

1. Authorize the City Manager to execute the Purchase Order in the amount of \$45,000.00.
2. Authorize the City Manager to execute a Purchase Change Order not to exceed the 10% contingency amount of \$4,500.00 for adjustments in the material estimate quantities as needed.

Background

Staff has researched and sought the advice of the contracted site developer for the RV Resort Storage project and determined the direct purchase and delivery from Chandler Aggregates Inc. for the estimated 5,000 tons of class II base is the most cost effective and efficient purchase approach. The class II base products are available in the region but a local purchase helps to hold down the expensive transportation costs of this heavy bulky material. The price for class II base ranges from \$8 to \$10 per ton and the class II base from Chandler Aggregates Inc. is sold at \$8.31 per ton. The greatest advantage of purchasing from Chandler Aggregates is the haul because of their proximity (Nichols Road) to the project site. Haul rates are based on an 8 hour day and if less than 8 hours the haul will be billed at an 8 hour minimum, at \$100.00 per hour, per truck. Therefore, delivery distance and haul rates are major considerations when purchasing bulk construction material like class II base. This purchase arrangement is advantageous to the City as Chandler Aggregates Inc. is located within the City.

Discussion

Class II base material is needed to establish the ground substance for the RV storage area. This area is over 5 acres in total and will support the storage of more than 110 recreational vehicles. The base course thickness will range from 4 to 5 inches and it will be built directly on top of the subgrade. The class II base will be placed by means of attentive spreading and compacting to a minimum of 95% relative compaction, thus providing a stable foundation. The class II base will provide a clean durable parking surface with filtration, weed barrier and driving qualities. This area will also support the maintenance building and corporate yard operations for the completed RV

resort rehabilitation. It is the project plan to make the RV storage improvements in advance of the major RV Resort rehabilitation construction and open the storage facility in a complete and operational business function while the RV Resort is under construction.

Fiscal Impact

RV Resort Storage Project (CIP PROJECT #Z40007) is included in the Fiscal Year 16/17 – 21/22 Capital Improvement Plan (CIP) budget.

Exhibits

A: Chandler Aggregates Proposal