

## **ORDINANCE No.**

\*Authorize a solicitation for Asphalt Concrete supply contracts estimated at \$15,500,000 for use on street maintenance and preservation projects (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City performs routine road maintenance and pavement preservation work on our roadways annually, and has a need for Asphalt Concrete (AC) materials to do this work.
2. The Portland metropolitan area has several qualified and privately-owned AC mix plants which can produce and supply acceptable AC materials for use on City projects.
3. The unit-priced supply contracts between the City and various AC mix plant suppliers are necessary to allow the City to perform required maintenance work year-round, and be efficient with trucking of the AC material to the work areas.
4. The Bureau of Transportation has funds budgeted in FY 2019 and proposed FY 2020 - 2023 for asphalt concrete materials used to maintain City roads.
5. The Bureau's level of confidence in the cost estimate for this project is moderate. Asphalt Concrete price agreements have been in place and used by the City for many years, but pricing can fluctuate. Asphalt Concrete is an oil-based product which is influenced by the price of oil.

NOW, THEREFORE, the Council directs:

- a. That the Chief Procurement Officer is hereby authorized to issue a competitive solicitation in accordance with City Code for Asphalt Concrete Supply, resulting in multiple awarded contracts for the Portland Bureau of Transportation's use with road maintenance and preservation work, in an amount not to exceed \$15,500,000 for a five (5) year contractual term.
- b. Upon the Council's acceptance of the Chief Procurement Officer's report, the Procurement Services is authorized to negotiate and execute contracts, provided the contract has been approved as to form by the City Attorney's office.
- c. The Mayor and Auditor is authorized to draw and deliver warrants chargeable when demand is presented and approved by the proper authorities.

Section 2. The Council declares that an emergency exists because a delay in approval would impair the City's ability to purchase asphalt concrete needed to maintain the City roadways. Maintenance of roadways occurs year-round, and new contracts need to be in-place for the work to be accomplished; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council,

Commissioner Dan Saltzman  
Prepared by: M. Magee: SP  
Date Prepared: May 22, 2018

**MARY HULL CABALLERO**  
Auditor of the City of Portland  
By

Deputy

### IMPACT STATEMENT

**Legislation title:** \*Authorize a solicitation for Asphalt Concrete supply contracts estimated at \$15,500,000 for use on street maintenance and preservation projects (Ordinance)

**Contact name:** Michael Magee  
**Contact phone:** 823-7060  
**Presenter name:** Michael Magee

**Purpose of proposed legislation and background information:**

The Bureau of Transportation needs asphalt concrete materials to perform routine road maintenance and pavement preservation on City streets. This ordinance authorizes the City to enter into supply contracts with local, qualified companies that have asphalt plants which can produce and supply acceptable materials to the City. The City will create unit-priced supply contracts with multiple vendors in order to access material from various locations and be efficient with trucking material to work areas. This ordinance supports PBOT and City policies to maintain City assets.

**Financial and budgetary impacts:**

Transportation Maintenance Operations has had similar unit-priced asphalt supply contracts for many years and uses them to purchase over \$2 million in asphalt materials each year. This action does not amend the budget or make any changes to appropriations. The PBOT annual budget contains sufficient appropriation to cover the anticipated purchases each year. This action has not impact on current or future revenues or staffing levels.

**Community impacts and community involvement:**

These contracts will allow Transportation to manage and maintain an effective and safe transportation system that provides access and mobility for all citizens, communities, geographic areas, neighborhoods and businesses by maintaining the City's transportation infrastructure.

**100% Renewable Goal:**

This action does not increase or decrease the City's total or renewable energy use.

#### Budgetary Impact Worksheet

**Does this action change appropriations?**

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount