

CITY COUNCIL AGENDA MEMO

To: Mayor and City Council

Thru: Don Marr, Chief of Staff
Terry Gulley, Transportation Services Department Director *TGG*

From: John Nelson, Management Accounting Coordinator

Date: December 15, 2011

Subject: Bid Waiver for Asphalt Materials

PROPOSAL:

Staff proposes an ordinance waiving the requirements of formal competitive bidding during calendar year 2012 for the purchase of asphalt materials for use by the Transportation Division.

RECOMMENDATION:

Due to the fluctuations in the price of crude oil local asphalt suppliers cannot feasibly guarantee a fixed price over a twelve month period.

Staff recommends bidding asphalt materials on a quarterly basis without the need for further approval of the City Council, awarding the respective low bidder, and allowing for price adjustment requests based on the current bid language.

BUDGET IMPACT:

Funds for the acquisition of asphalt materials are budgeted in the In-House Pavement Improvements and Trail Development capital projects.

ORDINANCE NO. _____

AN ORDINANCE WAIVING THE REQUIREMENTS OF FORMAL COMPETITIVE BIDDING DURING CALENDAR YEAR 2012 FOR THE PURCHASE OF ASPHALT MATERIALS FOR USE BY THE TRANSPORTATION DIVISION

WHEREAS, the crude oil market continues to experience extreme price volatility; and

WHEREAS, this volatility has greatly increased the price of asphalt, making normal competitive bidding procedures unworkable, impractical and not feasible; and

WHEREAS, the Transportation Division proposes to solicit bids on a quarterly basis without the need for further approval of the City Council through calendar year 2012.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby finds that such circumstances constitute an exceptional situation where annual competitive bidding is not feasible or practical, and therefore through calendar year 2012, waives the requirements of formal competitive bidding for the purchase of asphalt materials, allowing the Transportation Division to solicit bids on a quarterly basis without the need for further approval of the City Council.

PASSED and APPROVED this 17th day of January, 2012.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

