

City Council Agenda Items
and
Contracts, Leases or Agreements

January 15, 2013
City Council Meeting Date
Agenda Items Only

John Nelson
Submitted By

Transportation
Division

Transportation Services
Department

Action Required:

An ordinance waiving the requirements of formal competitive bidding during calendar year 2013 for the purchase of asphalt materials for use by the Transportation Division.

Cost of this request	\$ 1,842,000.00	In-House Pavement Improvements
Account Number	Category / Project Budget	Program Category / Project Name
4470.9470.5417.00	\$ -	Transportation Improvements
02052.1	Funds Used to Date	Program / Project Category Name
Project Number	\$ 1,842,000.00	Sales Tax Capital Improvements
	Remaining Balance	Fund Name

Budgeted Item

Budget Adjustment Attached

Terry J. Gulley 12-27-12 Previous Ordinance or Resolution # 5476
Department Director Date

J. Kelly 12-27-12 Original Contract Date: _____
City Attorney Date Original Contract Number: _____

Paul A. Butler 12-28-2012
Finance and Internal Services Director Date

Received in City Clerk's Office 12-27-12 A09:19 RCVD
GL

Don Ma 12-28-12
Chief of Staff Date

Received in Mayor's Office
ENTR'D 12/27/12

Donald Jordan 12/31/12
Mayor Date

Comments:

CITY COUNCIL AGENDA MEMO

To: Mayor and City Council

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

From: John Nelson, Management Accounting Coordinator *JN*

Date: December 19, 2012

Subject: Bid Waiver for Asphalt Materials

PROPOSAL:

Staff proposes an ordinance waiving the requirements of formal competitive bidding during calendar year 2013 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 2013 FOR THE PURCHASE OF ASPHALT MATERIALS FOR USE BY THE TRANSPORTATION DIVISION BUT REQUIRING INFORMAL QUARTERLY BIDS OR QUOTES

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 and accept bids on a quarterly basis without the need for further approval of the City Council through calendar year 2013.

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 2013, waives the requirements of formal competitive bidding for the purchase of asphalt materials, and authorizes the Transportation Division to solicit informal bids or quotes on a quarterly basis without the need for further approval of the City Council.

PASSED and APPROVED this 15th day of January, 2013.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

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

