



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Mital, Simpson, Helgeson, Manning and Brown  
FROM: Brad Taylor, Water Operations Manager  
DATE: August 21, 2015  
SUBJECT: Asphalt concrete patching services contract submitted for approval  
OBJECTIVE: Approve Contract

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## Issue

EWEB requires asphalt concrete replacement consistent with applicable city, county, and state laws when cutting and removing different paved surfaces while constructing and rebuilding water and electric infrastructure. The purpose of this memo is to provide information in order for the Board to approve a contract related to asphalt concrete patching services.

## Background

EWEB's water and electric systems are in continuous need for asphalt concrete patching services for work that involves cutting streets, parking lots or any paved area. In order to be efficient and effective, EWEB has contracted the patching services with a price agreement contract that allows EWEB to call for services needed on a per job basis, with the base unit costs for such services set. This provides EWEB with a flexible yet cost contained system to provide the required services.

In July, 2015, EWEB issued a solicitation process to establish a price agreement for the purchase of asphalt patching services. The solicitation was reviewed by seven companies. Three responses were received; S-2 Contractors was determined to be the lowest responsive and responsible bidder.

## Discussion

The formal bid response was evaluated based on the requirements in the solicitation document. The award cost is based on estimated quantities of service needs and unit cost per service. This contract is for one year with options to renew for four additional one year periods (potential 5 year contract). The total not to exceed contract amount is \$2.75 million.

## Recommendation

Management requests that the Board approve a price agreement with **S-2 Contractors** for **asphalt concrete patching services**. Funds for these services were budgeted for 2015 and will be budgeted annually.

If there are any questions or if more information is needed, please contact Brad Taylor, Water Operations Manager 541-685-7385 or [brad.taylor@eweb.org](mailto:brad.taylor@eweb.org).

**EWEB BOARD AGENDA ITEM ACTION REQUEST**  
***For Contract Awards, Renewals, and Increases generally over \$1 million***

The Board is being asked to approve a price agreement with **S-2 Contractors** for **Asphalt Concrete Patching Services**.

Backgrounder ("See backgrounder information") Yes

Board Meeting Date: September 1, 2015

Project Name/Contract#: Asphalt Concrete Patching Services 019-2015

Primary Contact: Brad Taylor Ext.7385 Ext. 7385

Secondary Contact: Jeremiah Hunt Ext. 7602

Purchasing Contact: Sandra Hahn Ext. 7163

**Action Requested:**

- Contract Award
- Contract Renewal
- Contract Increase
- Other

**Contract Amount:**

Original Contract Amount: \$2,750,000 over 5 years

Additional \$ Previously Approved: N/A

Invoices over last approval: \$N/A

Percentage over last approval: N/A

Amount this Request: \$2,750,000 over 5 years

**Resulting Cumulative Total:** **\$2,750,000 over 5 years**

**Funding Source:**

- Budget
- Reserves
- New Revenue
- Bonding
- Other

**Contracting Method:**

Method of Solicitation: Formal Bid

If applicable, basis for exemption: N/A

Term of Agreement: Sept 3, 2015 to Sept 2, 2020

Option to Renew? Yes

Approval for purchases "*as needed*" for the life of the contract Yes

**Form of Contract:**

- Single Purchase
- Services
- Personal Services
- Construction
- IGA
- Price Agreement
- Other

**Narrative:**

The Board is being asked to approve a new contract with **S-2 Contractors** of Aurora, OR for the purchase of asphalt concrete patching services on an as needed basis.

EWEB requires asphalt concrete patching services for use in EWEB's water and electric systems. In July, 2015, EWEB issued a solicitation process to establish a price agreement for the purchase of asphalt patching services. The solicitation was reviewed by seven companies. Three responses were received; S-2 Contractors was determined to be the lowest responsive and responsible bidder.

Responses were received by S-2 Contractors, of Aurora, OR; Knife River of Eugene, OR; and G. Cole of Eugene, OR.

Historical procurement data suggests that the total contract amount will be approximately \$2,750,000 over the total five-year period. The actual total dollar amount, however, is unknown and may be more or less than that estimated volume. Purchases will be based on need and not on any specific annual quantity. The annual cost will be within the amount budgeted for that specific year.

If approved, staff will purchase required asphalt concrete patching services at the established prices over the life of the contract. The contract is for one-year with the option to renew for four additional one-year periods.

**ACTION REQUESTED:**

Management requests the Board approve a price agreement with **S-2 Contractors** for **asphalt concrete patching services**. Funds for these services were budgeted for 2015 and will be budgeted annually.

**SIGNATURES:**

Project Coordinator: \_\_\_\_\_

LT Manager: \_\_\_\_\_

Purchasing Manager: \_\_\_\_\_

General Manager: \_\_\_\_\_

Board Approval Date: \_\_\_\_\_

Secretary/Assistant Secretary verification: \_\_\_\_\_