



Legislation Text

File #: 22-1447, Version: 1

Resolution to Authorize a Best Source Purchase Order for Hot Mix Asphalt (HMA) and Emulsion to Cadillac Asphalt, LLC (Not to Exceed \$146,000.00), and to Appropriate \$75,000.00 from the Central Stores Fund Balance **(8 Votes Required)**

Attached for your review and consideration for approval is a resolution authorizing a best source purchase order of up to \$146,000.00 for the purchase of hot mix asphalt (HMA) and emulsion from Cadillac Asphalt, LLC and to appropriate funds from the unobligated Central Stores Fund Balance.

The closest plant to Ann Arbor that produces HMA is Cadillac Asphalt, located at 857 S. Wagner. This plant is 3 miles from the N. Main and E. Huron intersection which is considered City center for use in calculating mileage and time for hot material purchases. The closest competitor is 18.5 miles away and a 30 minute drive. Time and distance are very important to ensure that the material stays hot and the time savings helps to increase productivity. Additionally, the proximity of this material provider will result in less greenhouse gas emissions from truck travel, advancing the City's A2Zero goals.

Quotes were received for two periods, July 1st 2022 to December 31st 2022 and January 1st 2023 to June 30th 2023. Pricing per ton is as follows:

Product	7/1/22 - 12/31/2022	1/1/2023 - 6/30/2023
1100T - 20AA	\$ 76.00	\$ 85.00
3/8" 5E1 COM	\$ 84.00	\$ 93.00
36A	\$ 84.00	\$ 93.00
5E3	\$ 85.00	\$ 94.00
3/4" LVSP COM	\$ 80.00	\$ 89.00
1/2" 4E1 COM	\$ 82.00	\$ 91.00

The purchased HMA and emulsion will be used for normal street and path maintenance and for street restoration after work on City Water Supply, Sewage Disposal, and Stormwater Systems.

Budget/Fiscal Impact: Although funding was budgeted in the FY23 Central Stores Operations and Maintenance Budget for the purchase of Hot Mix Asphalt, pricing increases to several Central Stores Materials have made seeking additional funding from the Central Stores fund balance necessary. Funding is available in the approved FY23 Major and Local Street Operation and Maintenance, Sewage Disposal System, Stormwater System, and Water Supply System budgets to reimburse Central Stores for used materials.

Cadillac Asphalt, LLC complies with the City's Non-Discrimination and Living Wage Ordinances.

Prepared by: Paul Matthews, Public Works Assistant Manager

Reviewed by: Molly Maciejewski, Public Works Manager

Reviewed by: Brian Steglitz, Interim Public Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, Public Works needs to purchase Hot Mix Asphalt (HMA) and emulsion for normal street and path maintenance and for restoration of the same after work on City water supply, sewage disposal, and stormwater systems;

Whereas, Cadillac Asphalt is located at 857 S. Wagner and is 3 miles from the N. Main and E. Huron intersection which is considered City center for use in calculating mileage and time for hot material purchases;

Whereas, Time and distance are very important to ensure the material stays hot;

Whereas, selection of a local facility will result in less truck travel and greenhouse gas emissions; and

Whereas, Cadillac Asphalt, LLC complies with the City's Non-Discrimination and Living Wage Ordinances; and

Whereas, Sufficient funds are available in the Central Stores FY23 Budget and Fund Balance to cover the increases in cost. Funds have also been budgeted in the approved FY23 Major and Local Street Operation and Maintenance, Sewage Disposal System, Stormwater System, and Water Supply System Budgets to reimburse Central Stores for materials used;

RESOLVED, That City Council approves a Best Source Purchase Order for Hot Mix Asphalt and Emulsion to Cadillac Asphalt, LLC in an amount not to exceed \$146,000.00;

RESOLVED, That \$75,000.00 be appropriated from the Central Stores Fund Balance; thereby, increasing the revenue and expenditure budget within the Central Stores Fund for FY23; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.