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**AGENDA COVER MEMO**

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**DATE:** March 11, 2005

**TO:** Lane County Board of Commissioners

**PRESENTED BY:** Sonny P.A. Chickering, County Engineer  
Public Works, Engineering Department

**AGENDA ITEM TITLE:** IN THE MATTER OF AWARDING A CONTRACT TO WILDISH BUILDING MATERIAL, DBA WILDISH SAND & GRAVEL CO., IN THE AMOUNT OF \$244,814.00, FOR PRE-COATED OIL ROCK PRODUCTION, VARIOUS STOCKPILE SITES, CONTRACT NO. 04/05-08

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**I. MOTION**

**THAT THE ATTACHED BOARD ORDER BE ADOPTED TO AWARD THE CONTRACT FOR PRE-COATED OIL ROCK PRODUCTION, VARIOUS STOCKPILE SITES TO WILDISH BUILDING MATERIAL, DBA WILDISH SAND & GRAVEL CO., IN THE AMOUNT OF \$244,814.00; DIRECT THAT THE CONTRACT BE EXECUTED IN ACCORDANCE WITH THE BID SPECIFICATIONS; AUTHORIZE THE COUNTY ADMINISTRATOR TO SIGN THE CONTRACT; AND REQUIRE THE CONTRACTOR TO PRESENT A PERFORMANCE BOND AND PAYMENT BOND IN THE FULL AMOUNT OF THE CONTRACT.**

**II. ISSUE OR PROBLEM**

Should the Board award a contract to Wildish Building Material, dba Wildish Sand & Gravel Co., for furnishing, hauling, and stockpiling pre-coated oil rock aggregate at various sites throughout the County.

**III. DISCUSSION**

**A. Background:**

Through approval of the fiscal year 2004-2005 Lane County budget, the Board has authorized funding to obtain rock for use in road maintenance activities.

**B. Analysis:**

This contract provides for furnishing, hauling and stockpiling of 8,330 tons of 3/8"-#10 pre-coated aggregate at various sites throughout the County. The pre-coated oil rock will be used in the County's chip sealing program. Locating the oil rock in several locations reduces the expense of transporting material long distances to work sites. Stockpile sites ensure that the appropriate materials are available when needed.

The total bid price is 13.4% in excess of the Engineer's Estimate. Asphalt oil is used in the manufacturing of the rock, and diesel is consumed during the delivery of the product to the various stockpile sites. With the uncertainty and volatility of the price of oil, it is very difficult to prepare an accurate estimate. A contracting firm has to protect itself against future oil price increases during the life of the contract. The difference between the Contractor's and Engineer's Estimate is acceptable under the circumstances.

The pre-coated oil rock is a very unique product with a limited market and is not commercially available without special production. The rock requires additional handling to properly apply the oil to the rock and ensure there is proper adhesion.

Through extensive testing, it has been determined that the pre-coated rock must be processed in an asphalt "batch" style plant. There are only two suppliers in the Eugene/Springfield area that can produce this type of oil rock and the other supplier does not have an adequate rock source, therefore requiring them to purchase the rock from another source. Even though the second supplier was a plan holder, they eventually elected not to submit a bid.

Last year we bid all the chip seal and sanding rock under a single contract and had only one bidder. In consultation with potential suppliers, it was determined that bidding was limited due to the inability to properly manufacture the pre-coated oil rock. To stimulate competition this year, we bid the pre-coated oil rock separately from the un-coated oil rock and sanding rock (Contract No. 04/05-07). The result was successful, as we had two bidders for the un-coated oil rock and sanding rock production contract. Both were different from the sole bidder on the pre-coated oil contract.

Wildish has been awarded the contract for oil rock production for the past three years without problems. The rock they have provided during this time has passed all testing requirements and has been very dependable when placed.

Re-bidding the project would not increase the number of bidders and would make it impossible to maintain the schedule for this year's chip seal maintenance program.

**C. Alternatives/Options:**

The oil rock aggregate could be purchased on an as needed basis. However, using a private contractor to haul oil rock to stockpile sites early in the year makes for a more efficient operation. During the summer, trucking is at a premium, private haulers may not be available and using County forces to haul rock long distances to project sites slows work. The proposed stockpiling acquisition method is more cost effective and helps ensure the availability of material when we need it.

March 11, 2005  
Pre-Coated Oil Rock Production,  
Various Stockpile Sites, Contract No. 04/05-08

**D. Recommendation:**

Award this contract to the low qualified bidder.

**IV. IMPLEMENTATION / FOLLOW-UP**

Upon approval by the Board, this contract will be processed and all required security bonds will be obtained.

**ATTACHMENTS:** Board Order  
Bid Recap

IN THE BOARD OF COMMISSIONERS OF LANE COUNTY  
STATE OF OREGON

ORDER NO.

( IN THE MATTER OF AWARDING A CONTRACT  
( TO WILDISH BUILDING MATERIAL, DBA  
( WILDISH SAND & GRAVEL CO., IN THE  
( AMOUNT OF \$244,814.00, FOR PRE-COATED  
( OIL ROCK PRODUCTION, VARIOUS  
( STOCKPILE SITES, CONTRACT NO. 04/05-08

**WHEREAS**, on March 11, 2005, Dave Brown, Field Engineering Superintendent, Lane County Department of Public Works, under authority of Lane Manual, Chapter 21, opened bids for Pre-Coated Oil Rock Production, Various Stockpile Sites, Prospective Contract No. 04/05-08; and

**WHEREAS**, Wildish Building Material, dba Wildish Sand & Gravel Co., submitted the low bid of \$244,814.00, and the Director of the Department of Public Works recommends that the bid be accepted; **NOW THEREFORE BE IT**

**ORDERED** that the bid received from Wildish Building Material, dba Wildish Sand & Gravel Co., be accepted as recommended; and it is further

**ORDERED** that Wildish Building Material, dba Wildish Sand & Gravel Co., be awarded a contract for Pre-Coated Oil Rock Production, Various Stockpile Sites, in the amount of \$244,814.00, in accordance with the bid specifications; and it is further

**ORDERED** that a contract be executed in accordance with this Order and the bid specifications provided the contractor presents a Performance Bond and a Payment Bond, each for the full amount of the contract, prior to execution; and it is further

**ORDERED** that following receipt of the contractor's Performance Bond and Payment Bond, the County Administrator be authorized to sign the contract.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

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Anna Morrison, Chair  
Lane County Board of Commissioners

3-21-05  
*[Handwritten signatures]*

# Lane County Department of Public Works

Description: PRE-COATED OIL ROCK PRODUCTION

# Bid Recap

County Site: VARIOUS STOCKPILE SITES

Contract: 04/05-08

Date of Opening: 10:00 am  
Friday, March 11, 2005

Item No.	Item	Unit	Qty	#1 Wildish Building Mat. DBA Wildish Sand & Gravel Co PO Box 7428 Eugene, OR 97401		#2		#3		#4	
				Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
1	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	600	\$29.41	\$17,646.00						
2	3/8"-#10 Pre-Coated Rock in Stockpile	Ton	615	\$28.95	\$17,804.25						
3	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	1,830	\$28.72	\$52,557.60						
4	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	300	\$27.62	\$8,286.00						
5	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	970	\$29.41	\$28,527.70						
6	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	2,305	\$29.41	\$67,790.05						
7	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	330	\$30.56	\$10,084.80						
8	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	330	\$33.32	\$10,995.60						
9	3/8"-#10 Pre-Coated Aggregate in Stockpile	Ton	1,050	\$29.64	\$31,122.00						
<b>Total Amount of Bid:</b>					<b>\$244,814.00</b>						

Engineer's Estimate:

\* Indicates a discrepancy between contractor's submitted totals and totals calculated from unit costs submitted.