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Title: Actions pertaining to the award of a requirements contract to International Coatings Co. in the amount up to \$186,121.46 for the purchase of Traffic Paint. (Bid File 12301341)

Sponsors: Public Works Department

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Attachments: 1. 23-733 Bid Evaluation, 2. 23-733 Fiscal Impact Statement

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5/25/2023	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

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SUBJECT

Actions pertaining to the award of a requirements contract to International Coatings Co. in the amount up to \$186,121.46 for the purchase of Traffic Paint. (Bid File 12301341)

RECOMMENDATION

Staff recommends that the City Council award a requirements contract in the amount up to \$186,121.46 plus a 20% contingency, per year for one (1) year with the option for four (4) one-year extensions to International Coatings Co., as the lowest responsive and responsible bidder for the purchase of Traffic Paint and to authorize the Public Works Director or designee to sign the contract on the City's behalf.

EXECUTIVE SUMMARY

The Street Maintenance Division of Public Works uses a requirements contract to purchase traffic paint to be used by City crews for painted pavement markings and striping on various streets,

crosswalks, bike lanes, and curbing throughout the City of Fresno. The prior contract term has expired and materials are currently being purchased utilizing a 6-month contract extension. On January 18, 2023, the bidding process was initiated to establish a new requirements contract. Three proposals were received, and International Coatings Co. was the lowest responsive and responsible bidder with a bid amount of \$186,121.46. After evaluation, staff recommends the award of a one (1) year contract with the provisions for four (4) one-year extensions to International Coatings Co. in the amount up to \$186,121.46 plus a 20% contingency. Funding for this contract is included in the FY2023 budget.

BACKGROUND

The Department of Public Works Street Maintenance Division uses traffic paint to paint and stripe the painted pavement markings on streets, crosswalks, bike lanes, and curbing throughout the City of Fresno. These materials are used by City crews to maintain existing painted pavement markings, and to replace pavement markings that were removed during paving or slurry seal projects. The execution of a requirements contract establishes a firm price, secured through competitive bidding, for a specified time and allows the City to make material purchases as needed.

Specifications for the Traffic Paint Requirements Contract were distributed to five (5) Building Exchanges, sent directly to seventeen (17) prospective bidders, and published on the City's PlanetBids Online site on January 18, 2023. A public bid opening was held on February 28, 2023 and three (3) bids were received. The three proposals received were in the amount of \$186,121.46, \$205,357.92 and \$245,170.05. International Coatings Co., the City's current vendor, was the lowest responsive and responsible bidder with a bid amount of \$186,121.46.

Staff is satisfied with the materials which International Coatings Co. have supplied during the current contract term and remains confident the vendor will continue to provide the City of Fresno with the same quality materials. The current bid reflects a 69% increase from the previous contract award. This is due to an industrywide increase in raw materials associated with the production of paint over the last 6 years. The previous contract was executed on August 21, 2017. Staff is confident the City received three competitively priced bids.

Funding for this contract is included in the FY2023 budget. It will be partially funded by Measure C and State Gas Tax. Since this is a requirements contract, there is no obligation to purchase a minimum amount of material if budgets or scopes of work are adjusted.

Council may reject all bids. If this were to happen, the City would be without an alternate option to purchase the necessary traffic paint materials for approximately sixty (60) days while the contract is rebid.

Staff recommends that the City Council award a requirements contract in the amount up to \$186,121.46 plus a 20% contingency per year for one (1) year with the option for four (4) one-year extensions to International Coatings Co., as the lowest responsive and responsible bidder for the purchase of traffic paint and to authorize the Public Works Director or designee to sign the contract on the City's behalf.

ENVIRONMENTAL FINDINGS

This contract is not subject to environmental findings due to the fact that this contract is for the

purchase of materials and is not a project.

LOCAL PREFERENCE

Local preference was not implemented since this contract utilizes state funding.

FISCAL IMPACT

No General Funds are budgeted for purchases on this contract. Appropriations in the FY2023 budget are funded through Measure C and State Gas Tax funding.

Attachment(s):
Bid Evaluation
Fiscal Impact Statement