



Jon Hutchings  
Director

Eric Schlehuber, Division Manager

## MEMORANDUM

**To:** The Honorable Jack Louws, County Executive &  
Honorable Members of the Whatcom County Council

**Through:** Jon Hutchings, Public Works Director *JH*

**From:** Eric L. Schlehuber, PW Equipment Services Manager *ES*

**Date:** April 18, 2019

**Re:** Bid 19-25, Crushed Aggregate for Bituminous Surface Treatment (BST) Award

### Requested Action

Approval requested to award the bid and subsequent contract for the 2019-2020 Supply of Crushed Aggregate for Bituminous Surface Treatment (seal rock) to the lowest bidder, Cowden, Inc., in an estimated amount of \$843,248.00.

Attached for your review and signature is the standard contract award package consisting of:

- Memo
- Approval for Contract Award (endorsed by the County Executive)
- Bid Tabulation
- Low Bid Proposal

### Background and Purpose

This agreement was a result of the Bid #19-25 bidding process in 2019, for the supply of crushed aggregate to be stockpiled during 2019-2020, at various Whatcom County pit sites including Point Roberts, Lummi Island and Whatcom County's Abel Pit and used by the Maintenance and Operations Division of the Whatcom County Public Works Department for the chip sealing program. Additionally, work shall include hauling of ditching waste material from Point Roberts to Whatcom County mainland. This contractor was chosen, because it was the sole responsive and responsible bidder. This original agreement will provide for the supply of this material through December 31, 2020.

### Difference From Previous Contract

The previous contract was awarded under the 2017 process Bid #17-19. Granite Construction was awarded the bid for 2017 at \$26.90 per ton for 4,275 tons to Willey's Lake Pit and in 2018 at \$27.90 per ton for 18,525 tons to Willey's Lake Pit for a total of \$685,551.83.

The current process for 2019 Bid # 19-25 resulted as follows:

BIDDER	1)Pt Roberts 3/8" 4,700 TONS <small>(due 06/14/2019)</small>	2)Lummi Island 3/8" 4,200 TONS <small>(due 04/15/2020)</small>	3)Abel Pit 3/8" 5,600 TONS <small>(due 04/15/2020)</small>	4)Roadway Excavation/Haul 2100 TONS <small>(due 06/14/2019)</small>	TOTALS
COWDEN, INC					
Cost per Ton:	\$52.00	\$74.00	\$31.00	\$25.00	
Material Total:	\$244,400.00	\$310,800.00	\$173,600.00	\$52,500.00	\$781,300.00
Sales Tax (8.5%):	\$20,774.00	\$26,418.00	\$14,756.00	\$0.00*	\$61,948.00
Location Subtotal:	\$265,174.00	\$337,218.00	\$188,356.00	\$52,500.00	<b>\$843,248.00</b>

\*No. 4 Roadway Excavation/Haul, sales tax of \$4,462.50 was originally indicated on the bid response form however since it is the County's own material, it is sales tax exempt and the vendor bid and contract amount has been adjusted accordingly.

The Scope of Work in the 2019 bid posed additional obstacles or considerations for the bidders than present in the previous bid of 2017. Due to the work being performed in Point Roberts and Lummi Island the following considerations were necessary for businesses both in labor and costs:

Point Roberts:

- Delivery requires travel through two border crossings (Peace Arch and Point Roberts) each way through and back
- Border restrictions can reduce the availability of drivers
- Each trip requires a permit and fee
- Border waits are unpredictable and raise the risk for bidders
- Loads traveling across the borders are subject to secondary inspections furthering the delays for drivers causing more potential risk to bidders

Lummi Island:

- Barging of material is subject to permits being issued, increasing risk to bidder
- Ferry travel involves additional fees per load
- Ferry load restrictions do not allow for a full truck load to be transported
- Tides affect possible travel times, decreasing the possible working window for the bidder

Based on the previous contract and locations this bidder's pricing is reasonable due to the considerations above.

▪ **Funding Amount and Source**

These are regularly budgeted inventory purchases in the 2019-2020 Equipment Rental and Revolving Capital Equipment Budget to be used by the Maintenance and Operations Division of the Whatcom County Public Works Department in the performance of county business. The purchase amount of \$265,174 will be allocated from the 2019 budgeted amount of \$300,000 with the remaining purchase amount of \$525,574 from the 2020 budgeted amount of \$700,000. The Item No. 4 – Roadway Excavation Incl. Haul, in the amount of \$52,500, will be charged to Road – Maintenance and Operations directly which has adequate budget authority for this expense.

▪ **New Contract**

This is a new two-year contract requiring County Executive signature and County Council approval.

▪ **Recommended Action**

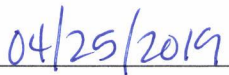
Please approve this purchase and forward to the County Executive and the County Council for approval at the County Council meeting on May 7, 2019.

Please contact Andy Bowler at extension 6417 or Eric L. Schlehuber at extension 6405, if you have any questions or concerns regarding the terms of this agreement.

Enclosures

In Accordance with WCC 3.08.030, I concur with this recommendation.

  
\_\_\_\_\_  
Sara Winger, Purchasing Coordinator

  
\_\_\_\_\_  
Date