

**Memorandum**

To: Honorable Mayor and City Council

From: Linda Styczen, Procurement Officer

Date: May 1, 2017

Subject: Recommendation for the purchase of Bituminous Materials

Background

Bituminous materials are used by Public Works for street maintenance, water main repairs and sewer projects. The City prefers to pick-up materials as needed because it allows for greater flexibility when scheduling the city crews performing the work.

Scope of Services

Bituminous materials are used in repairing and maintaining small areas on flexible and rigid-type pavement. The materials must meet the most current requirements of the State of Illinois Department of Transportation (IDOT) standard specifications for road and bridge construction.

Results

An Invitation to Bid was issued for bituminous materials. Three (3) bids were received. In addition to unit pricing for materials, bidders were required to calculate round trip costs for the City to haul bituminous materials based on the City's haul rate factor of \$1.43/mile and the distance to the bidder's facility.

|                                  |                 | CHICAGO MATERIALS CORP. |                 | PLOTE CONSTRUCTION INC. |                 | SUPERIOR ASPHALT MATERIALS, LLC |                 |
|----------------------------------|-----------------|-------------------------|-----------------|-------------------------|-----------------|---------------------------------|-----------------|
| MATERIALS                        | Qty (tons)      | Unit Price              | Total Cost      | Unit Price              | Total Cost      | Unit Price                      | Total Cost      |
| Bituminous Hot Mix               | 9,500           | \$ 47.40                | \$450,300.00    | \$ 47.00                | \$ 446,500.00   | \$ 58.50                        | \$ 555,750.00   |
| Binder                           | 100             | \$ 45.65                | \$ 4,565.00     | \$ 46.00                | \$ 4,600.00     | \$ 54.50                        | \$ 5,450.00     |
| Total Materials Cost =           |                 | \$ 454,865.00           |                 | <b>\$ 451,100.00</b>    |                 | \$ 561,200.00                   |                 |
| HAULING COSTS                    | Est. # of Trips | Cost Per Trip           | Total Trip Cost | Cost Per Trip           | Total Trip Cost | Cost Per Trip                   | Total Trip Cost |
| City's Haul Rate = \$1.43/Mile   | 317             | \$ 25.74                | \$ 8,159.58     | \$ 20.02                | \$ 6,346.34     | \$ 36.89                        | \$ 11,694.13    |
| Total Cost Materials + Pick-Up = |                 | \$ 463,024.58           |                 | \$ 457,446.34           |                 | \$ 572,894.13                   |                 |

The evaluation of the bids is based on the combined cost for materials and hauling. Transportation costs are not included in the amounts budgeted for bituminous materials. However, hauling costs are

considered in the overall cost of procuring bituminous materials because the City incurs the cost of transportation.

Recommendation

Funding for bituminous materials in FY 2017/18 is budgeted in several funds:

|  |                 |
|--|-----------------|
| General Fund                                     | \$ 300,000      |
| Capital Projects Fund                            | \$ 224,000      |
| Water Fund                                       | \$ 12,600       |
| Storm Sewer Fund                                 | \$ 5,100        |
| Sanitary Sewer Fund                              | <u>\$ 3,600</u> |
| Total FY 2017/18 Budget for Bituminous Materials | \$ 545,300      |

The lowest responsible bidder, Plote Construction, previously supplied bituminous materials to the City. The low bid for bituminous materials is (\$94,200) below budget.

I recommend the City Council approve the purchase order with Plote Construction, Inc., for the purchase of bituminous materials.



# CITY OF WHEATON

303 West Wesley Street, PO Box 727

Wheaton, Illinois, 60189-727

Phone: (630) 260-2000

Fax: (630) 260-2038

## PURCHASE ORDER

This number must appear on all invoices and delivery slips

No. P 36946

Date: 5/1/2017

To:

PLOTE CONSTRUCTION  
 1100 BRANDT DRIVE  
 HOFFMAN ESTATES IL 60192

| Account Number | Amount |
|----------------|--------|
|                |        |
| Total:         |        |

Deliver to:

CITY OF WHEATON PUBLIC WORKS  
 821 WEST LIBERTY DRIVE  
 WHEATON IL 60189

Attention of:

AL MCMILLEN

| Quantity   | Units | Description        | Unit Price   | Total Price |
|--|-------|--------------------|--------------|-------------|
|  | TON   | BITUMINOUS HOT MIX | \$47.0000    |             |
|  | TON   | BINDER             | \$46.0000    |             |
| AS PER BITUMINOUS MATERIALS BID MARCH 2017   |       |                    |              |             |
| ACCOUNT #s   |       |                    |              |             |
| 17031723 60500   |       |                    |              |             |
| 40085010 70200   |       |                    |              |             |
| 50070320 60500   |       |                    |              |             |
| 50070360 60500   |       |                    |              |             |
| 50070370 60500   |       |                    |              |             |
| 51570440 60500   |       |                    |              |             |
| 51070420 60500   |       |                    |              |             |
| <b>Additional Information:</b>   |       |                    |              |             |
| APPROVED BY CITY COUNCIL ON MAY 1, 2017  |       |                    |              |             |
| Unless otherwise specified, all deliveries shall be prepaid.<br>Notice: Order void only when signed by Purchasing Officer. |       |                    | <b>Total</b> |             |

Vendor: See attached sheet for additional information and instructions

By \_\_\_\_\_

Purchasing Officer

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## BITUMINOUS MATERIALS

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### PURCHASE ORDER TERMS AND CONDITIONS

#### INTENT

1. This purchase order is an offer to purchase the indicated goods. Acceptance of this purchase order is evidence that a contract exists between the supplier and the City of Wheaton.
2. All applicable portions of the Uniform Commercial Code (UCC) shall govern this contract between the supplier and the City of Wheaton.

#### PAYMENT TERMS

3. All pricing must be FOB Destination; Freight Prepaid & Allowed. Title to the goods passes from the supplier to the city at the point of destination and supplier pays the freight expense.
4. The City of Wheaton is exempt from payment of State, Federal Excise, and Illinois Retailers Occupational Taxes. The City's Tax exemption number is E9997-4312-07.
5. Payment will be:
  - a. Made to the company awarded this order. Under no circumstances will a third party be reimbursed.
  - b. Via the City's Purchasing Card Program, MasterCard, in which payment will occur at time of product delivery (preferred); or
  - c. Via supplier generated invoice in which invoices are mailed to the attention of the Project Coordinator; City of Wheaton; PO Box 727; Wheaton, IL 60187.
6. All invoices must reflect the following applicable information: Supplier Name, Purchase Order Number, Description and Stock Number, Quantity Ordered, Quantity Shipped, Quantity on Back Order (if applicable), price as stated on the award document, and the city department receiving the goods. Invoices will be approved for payment following: acceptance of product, receipt of an invoice, receipt of Certificate of Insurance, Endorsements, and a Waiver of Subrogation, and any other required paperwork.
7. The City of Wheaton complies with the Illinois Local Government Prompt Payment Act which states that any bill approved for payment shall be paid within 30 days after date of approval.
8. Invoices must be submitted to the city within six months of order completion. Any invoices submitted more than six months from order completion will not be paid.

#### DELIVERIES

9. Deliveries are to the indicated ship to address between the hours of 8:30 A.M. and 3:00 P.M., Monday through Friday, excluding holidays, unless otherwise stipulated.
10. Material delivered shall remain the property of the supplier until:
  - a. A physical inspection and actual usage of the material is made and found to be acceptable to the City; and
  - b. Material is determined to be in full compliance with the solicitation documents and executed contract.
  - c. Where circumstances or conditions exist preventing effective inspection of the goods at the time of delivery, the City of Wheaton reserves the right to inspect the goods within a reasonable time subsequent to delivery.
11. Failure to deliver within the time specified or within a reasonable time as interpreted by the Procurement Officer shall constitute authority for the Procurement Officer to purchase in the open market goods of comparable grade to replace the goods not delivered. Such purchases shall be deducted from contract quantities.
12. COD shipments will not be accepted unless by specific prior arrangements.
13. The supplier shall submit a Material Safety Data Sheet (MSDS) prior to or at the time of delivery for any/all toxic substances per Public Act 83-240, OSHA standards or any other applicable law.

#### QUALITY OF GOODS: Rejected Goods

14. In the event the delivered material is found to be defective or does not conform to the solicitations documents and executed contract, the City reserves the right to cancel the order upon written notice to the supplier.
15. Supplier's advertising decals, stickers or other signs shall not be affixed to equipment.
16. Goods not in compliance to specifications will be rejected and supplier must issue credit to City, or the City may deduct such amount from monies owed the Supplier.
17. Rejected goods must be removed by and at the expense of the supplier promptly after notification of rejection.
18. Rejection of goods shall constitute authority for the Procurement Officer to purchase in the open market goods of comparable grade to replace the goods rejected. Such purchases shall be deducted from contract quantities. Supplier shall reimburse the City for any expense incurred in excess of contract prices.
19. Should public necessity demand it, the City reserves the right to use or consume goods delivered which are substandard in quality, subject to an adjustment in price to be determined by the Procurement Officer.

## **WARRANTY**

20. The supplier warrants that all goods furnished hereunder will conform in all respects to the terms of this order, including any drawings, specifications, or standards incorporated herein, and are merchantable, of good quality, and free from latent and patent defects in materials or workmanship. Supplier also warrants the goods are suitable for and will perform in accordance with the purposes for which they were intended.
21. The supplier agrees that the goods furnished under this order shall be covered by the most favorable commercial warranties the supplier gives to any customer for such goods, and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this contract or by law.

## **INSURANCE**

22. Supplier shall procure Commercial General Liability Insurance to include products liability with a limit of \$1,000,000 and name the City as an additional insured on a primary and non-contributory basis. Failure by the City to request the Certificate of Insurance documenting this coverage shall not be construed as a waiver of such requirement.

## **CONDITIONS OF THE OFFER**

23. Patents: The supplier agrees to protect, defend, and save the City harmless against any demand for payment for the use of any patented material process, good, or device covered by this order.
24. Hold Harmless and Indemnification: The supplier shall defend, hold harmless, and indemnify the City, its directors, officers, employees, agents, and elected officials, in whole or in part from and against any and all liabilities, losses, claims, demands, damages, fines, penalties, costs, and expenses, judgment, or settlement, including, but not limited to, reasonable attorneys' fees and costs of litigation including reasonable expert witness, and all causes of action of any kind or character, that may be incurred as a result of bodily injury, sickness, death, or property damage or as a result of any other claim or suit of any nature whatsoever arising from or in any manner connected with, the negligent acts, errors, omissions, or intentional acts or omissions, or omissions of any agent, subcontractor, or contractor hired to provide any goods or perform any services on behalf of the supplier.
25. Patents and Copyrights: If an article sold and delivered to the City hereunder shall be protected by any applicable patent or copyright, the supplier agrees to indemnify and save harmless the City, from and against any and all suits, claims, judgments, and costs instituted or recovered against it by any person whomsoever on account of the use or sale of such articles by the City in violation or right under such patent or copyright.
26. Non-Discrimination: The supplier shall comply with the Illinois Human rights Act, 775 ILCS5/1 – 101 et seq (2000), as amended and any rules and regulations promulgated in accordance therewith including but not limited to the equal Employment Opportunity Clauses, 5 Il Admin Code § 750 A. The supplier shall also comply with the Public works employment Discrimination Act, 775 ILCS 10/0 01 et seq (2000), as amended.
27. It shall also be an unlawful employment practice for the supplier to: (1) fail or refuse to hire or to discharge any individual or their compensation, or the terms, conditions, or privileges of their employment, because of such individual's race, color, religion, sex, age, handicap or national origin; or (2) limit, segregate or classify their employees or applicants for any individual or employment opportunities or otherwise adversely affect their status as an employee, because of such individual's race, color, religion, sex, age, handicap or national origin. Supplier shall comply with the Civil Rights Act of 1984, 42 U S C et seq (2000), as amended.
28. Non-Waiver of Rights: No failure of either party to exercise any power given to it hereunder or to insist upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, nor any payment under this agreement shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.
29. Courts of Jurisdiction: The parties agree that any and all disputes, disagreements or litigation, by, between, or amongst them, related to this contract shall be exclusively heard and resolved in the court of the Eighteenth Judicial Circuit, DuPage County, Illinois.
30. Governing Law: This agreement is governed by the laws of the State of Illinois.

**BITUMINOUS MATERIALS**

**COST PROPOSAL**

Page 1 of 2

Plote Construction Inc.

Company Name

Signature of Bidder

dverdico@plote.com

Dave Verdico

Print Name

Asphalt Manager

Title

Email Address

1100 Brandt Drive

Address of Company

847-695-9300

(Area Code) Phone Number

Hoffman Estates

City

4/5/17

Date of Bid Response

IL

State

60192

Zip Code

**BID RESPONSE DUE: Wednesday, April 5, 2017 at 11:00 a.m. local time**

PLEASE SUBMIT 2 original proposals in sequential order as follows:

- 1) Cost Proposal on forms provided (2 pages total)
- 2) Certification of Compliance

Do not submit perforated pages, nor bind your proposal in anything other than paper clips or binder clips.

BIDDER has examined copies of all the bidding Documents and of the following Amendments

(receipt of all which is hereby acknowledged):

| Amendment # | Date  | Amendment # | Date  |
|-------------|-------|-------------|-------|
| _____       | _____ | _____       | _____ |
| _____       | _____ | _____       | _____ |
| _____       | _____ | _____       | _____ |
| _____       | _____ | _____       | _____ |

**BITUMINOUS MATERIALS**

**COST PROPOSAL**

Page 2 of 2

**BID RESPONSE DUE: Wednesday, April 5, 2017 at 11:00 a.m. local time**

We hereby agree to furnish and deliver to the City of Wheaton, in accordance with the Terms and Conditions, Specifications, and Contract Requirements as follows:

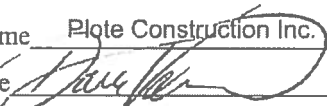
| Item               | Quantity (tons) | Unit Price/ton       | Extended Price           |
|--------------------|-----------------|----------------------|--------------------------|
| Bituminous Hot Mix | 9,500           | \$ 47 <sup>00</sup>  | \$ 446,500 <sup>00</sup> |
| Binder             | 100             | \$ 46 <sup>00</sup>  | \$ 4,600 <sup>00</sup>   |
| Total Tons:        | 9,600           | Total Material Cost: | \$ 451,100 <sup>00</sup> |

|   |                    |
|---|--------------------|
| <b>Plant Location*:</b>   | <b># miles = 7</b> |
| * Mileage between the Public Works facility and the bidder's facility will be taken directly from MapQuest/Google Maps as provided by the bidder. |                    |

Is a MapQuest/Google Maps attached depicting the distance between the City's Public Work's facility and your supply yard?  Yes  No

| Trip Charge Formula       | Cost per trip | Approximate # trips | Total Trip Cost |
|---------------------------|---------------|---------------------|-----------------|
| # miles x 2 ways x \$1.43 | \$ 20.02      | 317                 | \$ 6346.34      |

**Material Cost + Total Trip Cost = \$ 457,446.34**

Firm Name Plote Construction Inc.  
Signature   
Print Name Dave Verdico

Job Title Asphalt Manager  
Date Signed 4/5/17

**BITUMINOUS MATERIALS**

**CERTIFICATION OF COMPLIANCE**

The undersigned, being first duly sworn an oath, deposes and states that he/she has the authority to make this certification on behalf of the bidder for the product, commodity, or service and:

(A) The undersigned certifies that, pursuant to 720 ILCS Act 5, Article 33E of the Illinois Compiled Statutes, the bidder is not barred from bidding on this contract as a result of a conviction for the violation of State of Illinois laws prohibiting bid-rigging or bid-rotating.

(B) The undersigned certifies that, pursuant to 65 ILCS 5/11-42.1-1 of the Illinois Compiled Statutes, the bidder is not delinquent in the payment of any tax administered by the Illinois Department of Revenue.

(C) The undersigned certifies that, pursuant to 30 ILCS 580/3, Section 3 the bidder deposes, states and certifies it will provide a drug free workplace by complying to the Illinois Drug Free Workplace Act.

(D) The undersigned certifies that, pursuant to 820 ILCS 130/1-12 of the Illinois Compiled Statutes, the bidder, when required, is in compliance to all requirements of the Prevailing Wage Act.

(E) The undersigned certifies that, pursuant to 30 ILCS 570/ Section 5 Article 2 of the Illinois Compiled Statutes, the bidder is in compliance to all requirements of the Employment of Illinois Workers on Public Works Act.

(F) The undersigned certifies that they agree to fulfill all Requirements, Specifications, Terms and Conditions.

(G) The undersigned certifies that they agree to fulfill all Contract Requirements.

(H) The undersigned certifies that they agree to present alternative Greener products/processes to the City for consideration in this work.

**Check One:**

**There are no conflicts of interest;** In the event that a conflict of interest is identified anytime during the duration of this award, or reasonable time thereafter, you, your firm, or your firm's ownership, management or staff will immediately notify the City of Wheaton in writing.

**There is an affiliation or business relationship** between you, your management or staff, your firm, or your firm's ownership, and an employee, officer, or elected official of the City of Wheaton who makes recommendations to the City of Wheaton with respect to expenditures of money, employment, and elected or appointed positions. Provide any and all affiliations or business relationships that might cause a conflict of interest or any potential conflict of interest. Include the name of each City of Wheaton affiliate with whom you, your firm, or your firm's ownership, management or staff, has an affiliation or a business relationship.

**This Business Firm is:** (check one):  a Corporation  a Partnership  an Individual  an LLC

Firm Name: Plote Construction Inc.

Firm Address: 1100 Brandt Drive  
Hoffman Estates, IL 60192

Signature: 

Print Name: William T. Madden

Position: Asst. Secretary

Phone #: 847-695-9300

Fax #: 847-695-9317

e-mail address: bmadden@plote.com

Date Signed: 4/5/17

**Operational Contact for this work**

Name: Dave Verdico

Phone #: 847-628-6107

e-mail: dverdico@plote.com

**Sales Contact**

Name: \_\_\_\_\_

Phone #: \_\_\_\_\_

e-mail: \_\_\_\_\_

**Billing Contact**

Name: \_\_\_\_\_

Phone #: \_\_\_\_\_

e-mail: \_\_\_\_\_

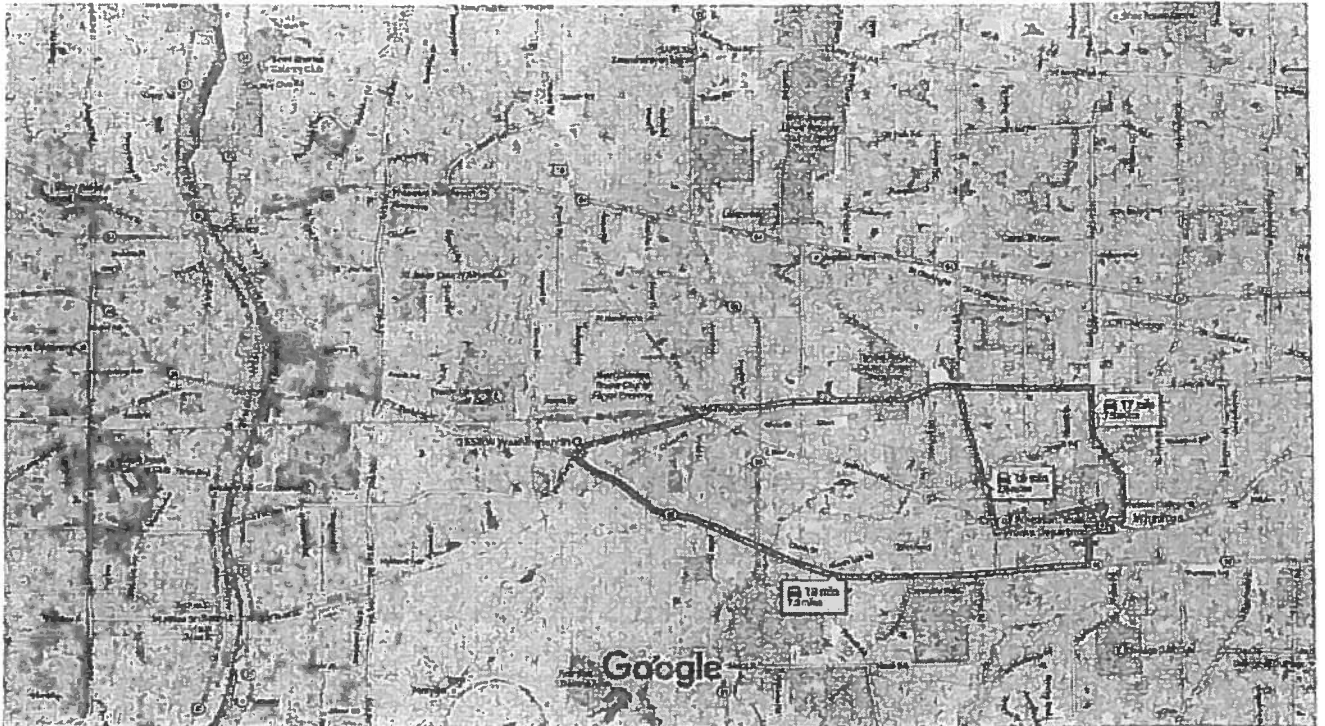
**Signing this Agreement affirms that the original solicitation document has not been altered in any**



Google Maps

1555 W Washington St, West Chicago, IL to  
City of Wheaton: Public Works Department

Drive 7.0 miles, 13 min



Map data ©2016 Google 1 mi

### 1555 W Washington St

West Chicago, IL 60185

- ↑ 1. Head southwest on W Washington St 0.1 mi

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- ↶ 2. Turn left onto IL-38 E/W Roosevelt Rd 6.2 mi

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- ↶ 3. Turn left onto S Gables Blvd 0.5 mi

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- ↷ 4. Turn right onto Commerce Dr 0.1 mi

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- ↑ 5. Commerce Dr turns left and becomes W Liberty Dr 0.1 mi  
 ⓘ Destination will be on the left

### City of Wheaton: Public Works Department

821 West Liberty Drive, Wheaton, IL 60187