



Monterey County

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: 19-0730

September 24, 2019

Introduced: 9/12/2019

Current Status: Agenda Ready

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Matter Type: General Agenda Item

- a. Approve Amendment No. 2 to Standard Agreement No. A-13748 with Granite Rock Company dba FMG to continue to provide on-call rental of fully operated, fueled and maintained asphalt grinding and paver machines at various locations in the County to: update the Price Lists; increase the not to exceed amount by \$300,000 for a total amount not to exceed \$510,000; and to extend the expiration date for three (3) additional years through September 30, 2022, for a revised term from October 3, 2017 to September 30, 2022; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 2 to Standard Agreement No. A-13748 and future amendments to the Agreement where the amendments do not significantly alter the scope of work or change the approved Agreement amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 2 to Standard Agreement No. A-13748 with Granite Rock Company dba FMG to continue to provide on-call rental of fully operated, fueled and maintained asphalt grinding and paver machines at various locations in the County to: update the Price Lists; increase the not to exceed amount by \$300,000 for a total amount not to exceed \$510,000; and to extend the expiration date for three (3) additional years through September 30, 2022, for a revised term from October 3, 2017 to September 30, 2022; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 2 to Standard Agreement No. A-13748 and future amendments to the Agreement where the amendments do not significantly alter the scope of work or change the approved Agreement amount.

SUMMARY/DISCUSSION:

The County has 1,100 miles of paved roads of which 99% need some type of pavement rehabilitation. The Resource Management Agency (RMA) needs, but does not own a bare, track-mounted cold planer or a 4' wide asphalt paver. This very specialized equipment is not economic to own (cost is approximately \$500,000 and annual use is approximately 4-6 weeks); therefore, this on-call rental Standard Agreement (SA) gives the RMA access to the most efficient equipment available without any capital investment. Granite Rock Company dba FMG's large inventory of late-model, consistently reliable equipment, and skilled operators have provided the RMA with maximum scheduling flexibility and excellent performance. The RMA has identified a continued need for Granite Rock Company dba FMG to provide on-call rental of fully operated, fueled and maintained asphalt grinding and paver machines at various locations in the County.

In June 2017, RMA staff began looking at available equipment to determine what options were

available. Only Granite Rock dba FMG was found to have the paving equipment in Northern California. No other company has the correct size or type of paver available for rent that the County needs to perform the asphalt paving within the narrow slot created by the grinder.

Amendment No. 2 to the SA will update the Price Lists effective October 1, 2019; increase the not to exceed amount of \$210,000 by \$300,000 for a total amount not to exceed \$510,000; and extend the expiration date from September 30, 2019 for three (3) additional years through September 30, 2022, for a revised term from October 3, 2017 through September 30, 2022. This SA will enable the RMA to continue to repair the rapidly deteriorating County roads in a safe and cost-effective manner.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed and approved Amendment No. 2 as to form and legality, and fiscal provisions, respectively.

FINANCING:

The original SA amount of \$210,000 has a remaining balance of \$126,200. Amendment No. 2 proposes to increase the SA amount by \$300,000 for a total not to exceed amount of \$510,000. If Amendment No. 2 is approved, the available balance of \$126,200 will increase by \$300,000 to \$426,200. Amendment No. 2 also extends the SA for an additional three (3) years to September 30, 2022, which would result in the SA crossing over the next four (4) fiscal years (FY) (2019-20, 2020-21, 2021-22, and 2022-23).

The FY 2019-20 adopted budget includes appropriations of \$1,317,089 for Equipment Rents and Leases in the Road Fund 002, Unit 8443, Appropriation Unit RMA012, of which \$210,000 is earmarked for the SA. The residual balance of the SA will be included in future FY budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The proposed SA is consistent with the goal of "...efficient and effective resource management..." by only paying for very expensive specialized equipment with skilled operators when needed and not investing huge sums for the purchase of equipment which would not be utilized cost-effectively. Maintenance work made possible by use of this equipment improves the quality of life of every resident and visitor of Monterey County by providing safer roadways. As part of our Pavement Management Plan, this work enables sustainable physical infrastructure relied upon by every resident and visitor to Monterey County.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Randell Ishii, M.S., P.E., Chief of Public Works
Approved by: Carl P. Holm, AICP, RMA Director

Attachments on file with the Clerk to the Board:

Attachment A - Amendment No. 2 to SA

Attachment B - Amendment No. 1 to SA

Attachment C - Standard Agreement

Attachment D - Summary of SA

Attachment E - Summary of SA Annual Expenditures and Balance