

ITEM #:	<u>24</u>
DATE:	<u>06-24-25</u>
DEPT:	<u>PW</u>

### **COUNCIL ACTION FORM**

**SUBJECT:**                **FY 2025/26 CONCRETE & ASPHALT CRUSHING CONTRACT**

**BACKGROUND:**

On May 14, 2024, City Council awarded a contract to Reilly Construction Co., Inc., for crushing salvaged concrete and asphalt stockpiled from various City street projects. The crushed material is reused in other Public Works projects, providing a cost-effective alternative to purchasing new aggregate. The initial contract covered the period of July 1, 2024, through June 30, 2025, with the option to renew annually for up to two additional 12-month terms. **Staff has reviewed the contractor's performance during the current contract year and found it to be satisfactory.**

**The original bid from Reilly Construction Co. included an estimated Year 2 cost of \$44,750, based on an estimated quantity of 5,000 tons of material at a rate of \$8.95 per ton, which represents a 9.15% increase over the current year's contract. Billing will occur based on the actual amount of material crushed.**

**The approved FY 2025/26 Public Works Department operating budget includes \$60,000 for concrete and asphalt crushing.**

**ALTERNATIVES:**

1. Award the contract for 2025/26 concrete and asphalt crushing to Reilly Construction Co., Ossian, IA, in an amount not to exceed \$44,750 for Year 2.
2. Reject the renewal and direct staff to rebid the project.

**CITY MANAGER'S RECOMMENDED ACTION:**

**Crushing of concrete and asphalt allows for recycling of waste material that reduces expenditures and provides a sustainable product that can be utilized for maintenance activities across the City.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.