



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Authorize Sale of Asphalt Grindings as Surplus Property during Calendar Year 2006

**MEETING DATE:** July 19, 2006

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** That the City Council authorize the sale of asphalt grindings as surplus property during calendar year 2006.

**BACKGROUND INFORMATION:** During maintenance of City streets, the Street Division generates a by-product in the form of asphalt grindings. These grindings are normally recycled at no cost, except for trucking costs. The Street Division has approximately 5,000 tons of this excess grinding material stockpiled on the north side of Salas Park.

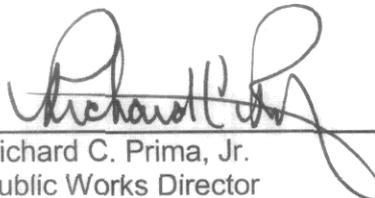
An inquiry from Frank Alegre, of Frank C. Alegre Trucking, Inc., to purchase the asphalt grindings prompted this request. Mr. Alegre has asked to purchase the grinding material for \$2 per ton (\$50 per truck load). Staff attempted to obtain competitive quotes. The only other interested party was A. M. Stephens Construction, who offered a price of \$1 per ton, when and if they have a use for it. They have no interest in purchasing any at this time. Over the years, various parties have requested asphalt grindings at no cost. (The City has used some for its own purposes as well.) The two firms mentioned above are the only ones who have offered to pay for the grindings. Staff feels the \$2 per ton price is a good one.

Lodi City Municipal Code §2.12.120, Disposition of Surplus Personal Property, requires City Council approval for sale of surplus property having a value in excess of \$2,000. Also, formal bidding is specified as part of this process.

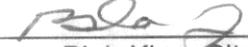
Staff is requesting authorization to waive the bidding process given the limited market and to sell the surplus grinding material for \$2 per ton on a continuous basis through December 31, 2006, or until all material is gone. Staff would also sell the material to any responsible party under the same terms and price as extended to Frank C. Alegre Trucking, Inc.

**FISCAL IMPACT:** Cost recovery may be as much as \$10,000. Funds will be deposited in the Street Fund.

**FUNDING AVAILABLE:** None required.

  
Richard C. Prima, Jr.  
Public Works Director

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**APPROVED:**   
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