

## AGENDA



Thursday, April 24, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 56**

**Subject:** Authorize award and execution of a 24-month primary requirements supply contract with IRON HORSE ASPHALT dba HEART OF TEXAS HOT MIX, Belton, TX for the purchase of hot mix asphalt concrete in an estimated amount not to exceed \$7,407,825, with two 12-month extension options in an estimated amount not to exceed \$4,556,674 for the first extension option, and \$5,240,175, for the second extension option, for a total estimated contract amount not to exceed \$17,204,674.

**Amount and Source of Funding:** Funding in the amount of \$1,543,297 is available in the Fiscal Year 2007-2008 Operating Budget of the Public Works Department. Funding for the remaining 19 months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Roy Rivers, Buyer II/974-6434

**Purchasing Language:** Lowest bid meeting specifications of three bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This is a primary contract for the supply of approximately 78,500 tons of hot mix asphaltic concrete Type A, B, C, C (SBS), D & F to be used by the Public Works Department on an as-needed basis for storm-drain maintenance and construction activities. The hot mix asphaltic concrete is also used for asphalt pavement repairs, temporary sidewalks, driveways and gutter construction. The Contractor shall have the materials available for pick up during normal working hours and days.

MBE/WBE solicited: 3/3

MBE/WBE bid: 0/1

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Sixteen notices were sent, including three MBEs and three WBEs. Three bids were received, including one WBE.
- c. The pricing offered represents a 3% increase to the last contract award in September 2006.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received. Iron Horse Asphalt dba Heart of Texas Hot Mix is not the current supplier.
- b. The Purchasing Office concurs with the Public Works Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.