

AGENDA



Thursday, October 16, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 29

Subject: Authorize award and execution of a 36-month requirements supply contract with VULCAN CONSTRUCTION, San Antonio, TX for trap rock surface aggregates and millsand in an estimated amount not to exceed \$2,854,533, with three 12-month extension options in an estimated amount not to exceed \$951,511 for each extension option, for a total estimated contract amount not to exceed \$5,709,066.

Amount and Source of Funding: Funding in the amount of \$951,511 is available in the Fiscal Year 2008-2009 Operating Budget of the Public Works Department. Funding for the remaining 24 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: Malinda Horitski, Buyer II / 974-2651

Purchasing Language: Lowest bid 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 contract will provide for the purchase of an estimated 25,000 tons of grade 5 trap rock, 200 tons of grade 6 trap rock, and 100 tons of millsand for the Public Works Department. The material will be used by the Street and Bridge Division for the maintenance and repair of various street improvement projects on an as-needed basis.

This aggregate is a dolomite limestone material that is used as an under-sealing application in conjunction with hot mix asphalt overlays. Dolomite limestone binds the hot mix asphalt to existing road surfaces. This product is also used to control ice/snow build-up on streets rather than salt or sand. This supply agreement will help to insure that dolomite limestone is readily available for required repairs and maintenance, as well as being available in the event of inclement weather.

MBE/WBE solicited: 2/1 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Eighteen notices were sent, including two MBEs and one WBE. Three bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 25% increase to the last contract award in May 2007. This increase can be attributed to the rise in transportation costs.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Vulcan Construction is the current provider of this material.
- b. The Purchasing Office concurs with the Public Works Department's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.

