

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	31277	Agenda Number	33.
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Meeting Date:	March 20, 2014
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Department:	Purchasing
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Subject

Authorize award and execution of a 24-month supply contract with JAE CONSTRUCTION INC, for the purchase of flexible road base for Austin Energy, the Parks and Recreation Department, and the Public Works Department in an amount not-to-exceed \$428,000, with three 12-month extension options in an amount not to exceed \$214,000 per extension option, for a total contract amount not to exceed \$1,070,000.

Amount and Source of Funding

Funding in the amount of \$30,750 is available in the Fiscal Year 2013-2014 Capital Budget and \$30,750 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding in the amount of \$11,500 is available in the Fiscal Year 2013-2014 Operating Budget of the Public Works Department. Funding in the amount of \$14,000 is available in the Fiscal Year 2013-2014 Capital Budget and \$20,000 is available in the Fiscal Year 2013-2014 Operating Budget of the Parks and Recreation Department. Funding for the remaining eighteen months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	Lowest bid received.
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Prior Council Action:	
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For More Information:	Paige McDonald, Buyer II, 512-322-6118
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Boards and Commission Action:	February 24, 2014 - Approved by the Electric Utility Commission on 7-0 vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Additional Backup Information

This contract is for the supply of approximately 17,000 tons of flexible road base to be used by Austin Energy, the Parks and Recreation Department, and Public Works' Street & Bridge division on an as-needed basis. Flexible base is crushed limestone that is used to create a stable surface area for various projects such as construction or maintenance of electrical substation facilities and electrical equipment, street cut repairs, and right-of-way improvements.

The contract includes pricing for delivered material to two City of Austin delivery zones, as well as for pickup by the City, depending upon the City's need for specific projects.

MBE/WBE solicited: 3/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. MPM0004

Flexible Base

(3 – line items)

<u>Vendor</u>	<u>Total Bid Amount</u>
JAE Construction, Inc Austin, TX	\$214,000
Industrial Asphalt & Aggregate Austin, TX	\$239,560
Rachel's Trucking, LLC Austin, TX	\$246,650
Community Trucking, LLC Cedar Creek, TX	\$288,174

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-six notices were sent including three MBEs. There are no known WBEs for this commodity. Four bids were received, with no response from the MBEs.
- c. The pricing offered represents a 22% increase to the last contract award in January 2009. The increase is due to higher prices for crushed stone and diesel.

APPROVAL JUSTIFICATION

- a. Lowest bid received. The recommended firm is not the current provider of this commodity.
- b. The Purchasing Office concurs with this recommendation from Austin Energy, Parks and Recreation, and the Public Works Department.
- c. Advertised on the Internet and in the Austin American Statesman.

