

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	67505	Agenda Number	23.
Meeting Date:	February 16, 2017			
Department:	Purchasing			
Subject				
Authorize award and execution of a 36-month contract with ERGON ASPHALT & EMULSIONS INC., to provide asphalt emulsions, in an estimated amount of \$4,639,444, with two 12-month extension options in an estimated amount of \$1,580,278 per extension option, for a total contract amount not to exceed \$7,800,000.				
Amount and Source of Funding				
Funding in the amount of \$902,114 is available in the Fiscal Year 2016-2017 Operating Budget of Public Works. Funding for the remaining 29 months of the original contract period and extension options are contingent upon available funding in future budgets.				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	The Purchasing Office issued Invitation for Bids (IFB) KDS0102 for these goods on November 7, 2016 and it closed on November 24, 2016 with one offer received. The recommended offer is the sole offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these goods.			
Prior Council Action:				
For More Information:	Kimberley Scannell, Buyer II, 512-974-2261			
Boards and Commission Action:				
Related Items:				
MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were insufficient subcontracting			

opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide asphalt emulsions to be used for general street maintenance, such as pothole repairs, spot-paving level-ups, utility cut repairs and in annual sealcoat preventative maintenance. A reliable, local supplier that can store and supply materials in varying amounts and on short notice is required due to the short application season (April through mid-October because cold and wet weather conditions), number of streets requiring maintenance and repair, weather constraints, and roadway work window availability.

This contract will replace the current contract which will expire June 2, 2017.

If the City is unable to enter into a contract, the City will be unable to obtain volume discounts, as well as construction and repairs may be delayed.

BID TABULATION

IFB KDS0102

Asphalt Emulsions

6 Line Items

Vendor

Total Price

ERGON ASPHALT & EMULSIONS INC.

\$1,546,481

A complete solicitation package, including a bid tabulation, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

ERGON ASPHALT & EMULSIONS INC.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	\$ 4,639,444	n/a	n/a
Extension Option 1	12	\$ 1,580,278	n/a	n/a
Extension Option 2	12	\$ 1,580,278	n/a	n/a
TOTAL	60	\$ 7,800,000	\$ -	\$ -