

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

70671

Agenda Number

31.

Meeting Date:

May 18, 2017

Department:

Purchasing

Subject

Authorize award and execution of a 36-month contract with CAPITOL AGGREGATES INC., to provide hydraulic cement, in an estimated amount of \$1,290,000, with two 12-month extension options in an estimated amount of \$450,000 for the first extension option, and \$475,000 for the second extension option, for a total contract amount not to exceed \$2,215,000.

Amount and Source of Funding

Funding in the amount of \$120,042 is available in the Fiscal Year 2016-2017 Operating Budget of the Public Works Department, Street and Bridge Division. Funding in the amount of \$59,125 is available in the Fiscal Year 2016-2017 Operating Budget of the Watershed Protection Department. Funding for the remaining 32 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 an Invitation for Bids (IFB) KDS0103-1 for these goods on January 9, 2017 and it closed on February 9, 2017 with three offers received. The recommended offer is the lowest offer submitted by a responsible offeror. Additional information on the solicitation is included below the line.

Prior Council Action:



For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representations, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Kimberley Scannell, at 512-974-2261 or Kimberley.Scannell@austintexas.gov

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 no certified M/WBEs; therefore, no subcontracting goals were established. |

Additional Backup Information

The contract is for the supply of bulk hydraulic cement for use by the Public Works Department, Street and Bridge Division and the Watershed Protection Department. This material is needed to produce concrete for the repair of City sidewalks, curbs, gutters, and driveways. Cement is delivered to City storage silos and delivered to job sites as needed in City trucks. The cement is a component required to produce fresh concrete which will allow the users to make specific amounts of concrete needed on a job site, with nearly no waste of material.

The contract replaces an existing contract that expired May 12, 2017. Increased authorization amounts over the previous contract are due to escalations in pricing, the Public Works Department, Street and Bridge Division and Watershed Protection Departments expected increase in cement usage because of the current number of projects to be completed in upcoming years, and a rise in repair requests from City departments. Additionally, an increase in spending is anticipated due to the Austin Mobility bond that was approved November 8, 2016.

If the City is unable to enter into a contract, the Public Works Department, Street and Bridge Division and Watershed Protection Department will have to make individual purchases on an as-needed basis. This may affect the department's ability to take advantage of bulk pricing discounts, and may result in a reduced turnaround time on orders delaying construction and repairs.

BID TABULATION

IFB KDS0103-1

Hydraulic Cement, Type I

1 Line Item

| <u>VENDOR</u> | <u>TOTAL BID</u> |
|-------------------------|-------------------------|
| Capitol Aggregates Inc. | \$425,790 |
| JTE Company LLC | \$453,600 |
| AgH2O | \$492,000 |

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](#)

CAPITOL AGGREGATES INC.

| | # months | Contract Amount | Contract Amendment | Revised Amount |
|--------------------|----------|-----------------|--------------------|----------------|
| Original Term | 36 | \$ 1,290,000 | n/a | n/a |
| Extension Option 1 | 12 | \$ 450,000 | n/a | n/a |

| | | | | |
|--------------------|-----------|---------------------|-------------|-------------|
| Extension Option 2 | 12 | \$ 475,000 | n/a | n/a |
| TOTAL | 60 | \$ 2,215,000 | \$ - | \$ - |