



Water & Wastewater Commission Review and Recommendation

Commission Meeting Date:	November 14, 2018
Council Meeting Date:	November 29, 2018
Department:	Purchasing
Client:	Daniel Layton, Danielle Lord, Rick Coronado, and David Anders
Agenda Item	
Authorize award and execution of two contracts, a primary contract with Industrial Asphalt, LLC and a secondary contract with Oldcastle Materials Texas, Inc. D/B/A APAC-Texas, Inc. , to provide asphaltic concrete, for a term of five years in an amount not to exceed \$40,000,000 divided between the contractors. This is a multi-department contract. Austin Water's requested authorization is \$2,375,000.	
Amount and Source of Funding	
Funding in the amount of \$475,000 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.	
Purchasing Language:	The Purchasing Office issued Invitation for Bids (IFB) 2200 MDP0261 for these goods. The solicitation issued on June 11, 2018 and it closed on July 17, 2018. Of the three offers received, the recommended contractors submitted the lowest responsive offers.
Prior Council Action:	N/A
Boards and Commission Action:	November 14, 2018 – To be reviewed by the Water and Wastewater Commission.
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 and subcontractor goals were applied to the solicitation. The subcontracting goals were met and the resulting contracts will include 1.00% MBE/WBE combined participation.

These contracts are for the supply of hot mix asphaltic concrete used by the City for asphalt pavement overlays, pavement repairs, temporary driveways, and utility cut repairs. These contracts also provide the City with cold mix asphaltic concrete, which is used for temporary patching of excavated trenches, spot repairs, and other temporary pavement repairs on City streets after repair services are completed. Failure to maintain, service, or extend the lifecycle of existing roadways may expose the City to added liabilities and safe routes for emergency vehicles and citizens will be degraded.

The City issued a solicitation with the intent to award a primary and alternate contract. The alternate contract will only be used in the event the primary contractor's plant is down or overbooked and paving work or repairs must be completed. Both contracts will supply the City with the exact same materials.

These contracts will combine and replace three existing contracts expiring in mid-December 2018. The requested authorization amounts were determined using departmental estimates based on historical spend and upcoming projects.

M/WBE Summary

Participation goals stated in the solicitation were 1.00% MBE/WBE combined. Both of the recommended contractors' M/WBE Compliance Plans met goals with 1.00% MBE/WBE combined participation and were approved by the Small and Minority Business Resources Department.

PRIMARY CONTRACT:

<u>NON - MBE/WBE TOTAL - PRIME</u>	<u>99.00%</u>
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Industrial Asphalt, LLC, Austin, TX

<u>MBE TOTAL - SUBCONTRACTOR</u>	<u>1.00%</u>
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Hispanic Total – Subcontractor

(MDB) Juan DeAnda Trucking, LLC, San Marcos, TX
(Hauling)

SECONDARY CONTRACT:

<u>NON - MBE/WBE TOTAL - PRIME</u>	<u>99.00%</u>
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Oldcastle Materials Texas, Inc., Cedar Park, TX

<u>MBE TOTAL - SUBCONTRACTORS</u>	<u>1.00%</u>
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Hispanic Total – Subcontractors

(MDB) Rami Transportation, Inc., Del Valle, TX Primary Sub
(Hauling)

(MDB) Texas Trucking Co., Inc., Georgetown, TX Alternate Sub
(Hauling)

BID TABULATION

Purchase of asphaltic concrete – **Industrial Asphalt, LLC, Old Castle Materials Texas, Inc.**

VENDOR

TOTAL BID

Industrial Asphalt, LLC

\$7,794,600

Old Castle Materials Texas, Inc.

\$9,986,455

Asphalt Inc.

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*Deemed non-responsive – Did not meet specification requirements of the solicitation related to the Minority Owned and Women Owned Business Enterprise Procurement Program.

PRICE ANALYSIS

- a) Note: Award of contract is recommended based on low bidder meeting the requirements of the solicitation for primary and alternate contractors.
- b) Solicitations: 64 notices were sent, including 11 MBE and 1 WBE firms, 3 responsive bid were received with no M/WBE firms responding.
- c) Quantities were determined based on past expenditures and estimated future need.
- d) Price Analysis: The average price per ton decreased by 15% or \$10.03 (from \$67.03 to \$57.00). The decrease in price is attributed to consolidation of multiple department requirements.

APPROVAL JUSTIFICATION

- a) Austin Water concurs with Central Purchasing recommended award.