



Water & Wastewater Commission Review and Recommendation

Commission Meeting Date:	April 10, 2019
Council Meeting Date:	May 9, 2019
Department:	Purchasing
Client:	Daniel Layton, Danielle Lord, Rick Coronado ,and David Anders
Agenda Item	
Authorize award of a multi-term contract with Melendrez Trucking LLC (MWB) , to provide gem sand and washed gravel aggregate materials, for up to five years for a total contract amount not to exceed \$1,379,000. This is a multi-department contract. Austin Water's requested authorization is \$1,254,000.	
Amount and Source of Funding	
Funding in the amount of \$83,600 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Water. Funding for the remaining contract terms are contingent upon available funding in future budgets.	
Purchasing Language:	The Purchasing Office issued an Invitation for Bids (IFB) 2200 GLB1012 for these goods. The solicitation issued on January 21, 2019 and it closed on February 14, 2019. Of the three offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: Solicitation Documents
Prior Council Action:	N/A
Boards and Commission Action:	April 10, 2019 – 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 exceeded, and the resulting contract will include 27.96% MBE/WBE combined participation.

The contract will provide gem sand and washed gravel aggregate for projects at various locations and worksites throughout the City. The aggregates provide pipe bedding for water and wastewater lines, stable footing for piping, and foundation support for manhole and meter vaults. Once aggregate is placed, it provides visualization of buried utilities for the excavator to prevent broken water lines. The material is in accordance with national, state, and City construction standards for water infrastructure installations and repairs.

The current contract expires October 27, 2019. The requested authorization amount was determined using estimates of increased annual usage and historical spend. The recommended contractor is the current provider for these goods and a minority woman owned disadvantaged business.

Contract Detail:

Contract Term	Length of Term	Current Authorization
Initial Term	3 Years	\$827,400
Extension Option 1	1 Year	\$275,800
Optional Extension 2	1 Year	\$275,800
TOTAL	5 Years	\$1,379,000

Note: Contract Authorization amounts are based on City's estimated annual usage.

M/WBE Summary

Participation goals stated in the solicitation were 2.44% MBE/WBE combined. The recommended contractor's M/WBE Compliance Plan exceeded the goals and was approved by the Small and Minority Business Resource Department.

<u>MBE/WBE TOTAL - PRIME</u>	<u>27.96%</u>
(FH) Melendrez Trucking, LLC, Austin, TX	
<u>NON MBE/WBE – SUBCONTRACTORS</u>	<u>72.04%</u>
Martin Merrita, Austin TX	43.29%
(Gem sand)	
Texas Crush Stone, Georgetown, TX	28.75%
(Gravel)	

PRICE ANALYSIS

- a) Solicitations: 435 notices were sent, including 74 MBE and 6 WBE firms, 3 bids were received with 2 M/WBE firms responding.
- b) Cost Analysis: The proposed contract represents an approximate 18% increase from the current contract. The Index supports an increase of 9.37%. The remaining 8.63% may equate to positive economic growth; increasing prices for labor and capital resources for the contractor.

**BID TABULATION
CITY OF AUSTIN
AGGREGATE MATERIALS - SAND & GRAVEL**

Solicitation No.IFB 2200 GLB1012

RX NO. RQM 18111500113

Opening Date: 2/21/19

Buyer: Georgia Billela

Special Instructions: The City intends to award one contract based on overall low cost however reserves the right to make multiple awards based on individual or groups of specific line items, cost, or any criteria or any combination deemed most advantageous to the City.

Be advised that exceptions taken or qualifying statements made to any portion of the solicitations may jeopardize acceptance of the bid and may result in disqualification of the bid. Prices being submitted shall include ALL discounts, handling and shipping charges, FOB Destination.

A bid of '0' (zero) will be interpreted by the City as a no-charge (free) item and the City will not expect to pay for that item. A bid of 'no bid' will be interpreted by the City that the responder does not wish to bid on that item.

The quantities noted below are annual estimates and not a guarantee of actual volume. The City does not guarantee the purchase of the quantities listed. Quantities are provided as a guide based on historical usage. Actual purchases may be more or less.

Failure to respond to each section of this bid sheet may result in disqualification of your bid.ties listed. Actual purchases may be more or less.

Receipt No.				1		2		3	
Vendor Name				Melendrez Trucking LLC		Alpha Transportation Svcs LLC		Austin Equipment Co dba Hard Rock	
Local Presence (Y/N)				N		N			
MBE/WBE				MWDB		MWDS			
ITEM NO.	ITEM DESCRIPTION	ESTIMATED ANNUAL QTY	UNIT	UNIT PRICE	EXT PRICE	UNIT PRICE	EXT PRICE	UNIT PRICE	EXT PRICE
1	Washed Gravel 1 1/2" delivered to Zone 1 See Attachment A	1294	Ton	\$29.50	\$38,173.00	\$26.93	\$34,847.42	*	*
2	Washed Gravel 1 1/2" delivered to Zone 2 See Attachment A	1294	Ton	\$29.50	\$38,173.00	\$26.93	\$34,847.42	*	*
3	Washed Gravel 1 1/2" delivered to 901 Dalton Lane, Austin, TX 78742	500	Ton	\$26.00	\$13,000.00	\$26.93	\$13,465.00	*	*
4	Washed Gravel 1 1/2" delivered to 3819 Bergstrom Drive, Austin, TX 78719	500	Ton	\$26.00	\$13,000.00	\$26.93	\$13,465.00	*	*
5	Gem Sand delivered to Tim Louvier Service Center	1,667	Ton	\$24.00	\$40,008.00	\$32.23	\$53,727.41	*	*
6	Gem Sand delivered to Glen Bell Service Center	1667	Ton	\$24.00	\$40,008.00	\$32.23	\$53,727.41	*	*
7	Gem Sand delivered to North Service Center	1667	Ton	\$26.50	\$44,175.50	\$32.23	\$53,727.41	*	*
8	Gem Sand delivered to 901 Dalton Lane, Austin, TX 78742	500	Ton	\$23.00	\$11,500.00	\$30.23	\$15,115.00	*	*
9	Gem Sand delivered to 3819 Bergstrom Drive, Austin, TX 78719	500	Ton	\$23.00	\$11,500.00	\$32.33	\$16,165.00	*	*
TOTAL EXTENDED PRICE - CATEGORY 1 =				\$249,537.50		\$289,087.07		*	

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

Award Method: By one total

Prepared By: Sheritta Nesbitt

Approved By: Georgia Billela

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Local Presence (Y/N)	N	N	
MBE/WBE	MWDB	MWDS	

 Yellow notates award.