



AGENDA ITEM NO.: 27
AGENDA DATE: Thu 02/12/2004
PAGE: 1 of 2

SUBJECT: Authorize execution of a 12-month supply agreement with LONE STAR READY MIX (WBE/FH), Austin, TX and CEMEX CONSTRUCTION MATERIALS, Austin, TX for ready mix concrete for the Public Works Department in an amount not to exceed \$140,930, with two 12-month extension options in an amount not to exceed \$140,930 per extension option, for a total contract amount not to exceed \$422,790.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$82,209 is available in Fiscal Year 2003-2004 Approved Operating Budget of the Public Works Department. Funding for the remaining five months of the original contract period and the extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing
DEPARTMENT: for Public Works;

DIRECTOR'S
AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: R.C. Hernandez, Senior Buyer/974-6434

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of two bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This supply agreement will provide for ready mix concrete to be used by the Public Works Department / Street and Bridge Division for street maintenance and construction activities.

The ready mix concrete is used by the Street and Bridge Division for concrete pavement repairs, concrete utility cut repairs, sidewalk construction, American Disability Act (ADA) ramp construction requirements, curb and gutter construction, driveway construction and bus stop pad construction.

The bid was structured for award to both a primary contractor (first low bidder) and alternate contractor (second low bidder) to assure the City of a reliable supply of ready mix concrete. The need for an alternate supplier is to address the times when Lone Star Ready Mix, the primary contractor, has large orders from other customers that deplete all of its ready mix and may not be able to fulfill the City's needs.

MBE/WBE solicited: 1/1

MBE/WBE bid: 0/1



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 27
AGENDA DATE: Thu 02/12/2004
PAGE: 2 of 2**

**BID TABULATION
Ready Mix Concrete
IFB No: RH04100009
Annual Budget \$140,930**

<u>Vendor</u>	<u>Line Items</u>	<u>Total Price</u>
LONE STAR READY MIX AUSTIN, TEXAS (WBE/FH)	1-17	\$140,930.00
CEMEX CONSTRUCTION MATERIALS *1 - 15 AUSTIN, TEXAS		\$170,160.20

***Note: CEMEX did not bid on line items 16 & 17**

Complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- Adequate Competition.
- Thirteen notices were sent including one MBE and one WBE. Four bids were issued including one MBE and one WBE. Two bids were received with one WBE responding.
- The previous contract average unit price was \$32.99; new contract average unit price of \$24.87. This represents a decrease of approximately 32%.

APPROVAL JUSTIFICATION

- Low Bidder.
- Public Works Department concurs with the recommended award herein.
- Advertised in the Austin American-Statesman and Internet.