



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

**AGENDA ITEM NO.: 39
AGENDA DATE: Thu 01/27/2005
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with R.T.I. HOT MIX, Pflugerville, TX, INDUSTRIAL ASPHALT, INC., (WBE-FR 100%), Buda, TX, and with CAPITOL AGGREGATES, LTD, Austin, TX, for hot mix asphaltic concrete type A ,B, C, C (SBS), D and F in an amount not to exceed \$2,002,500, with two 12-month extension options in an amount not to exceed \$2,002,500 per extension option, for a combined total contract amount not to exceed \$6,007,500

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$1,335,000 is available in the Fiscal Year 2004-2005 Approved Operating Budget of the Public Works Department. Funding for the remaining four months of the original contract period and 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 **DIRECTOR'S**
DEPARTMENT:for Public Works; **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 three bids received.

MBE / WBE: This contract will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No Subcontracting opportunities were identify; therefore, no goals were established for this solicitation.

This contract establishes a supply agreement for purchase of Hot Mix Asphaltic Concrete (HMAC) Types A, B, C, C (SBS), D and F to be used by the Street and Bridge Division of the Public Works Department. The hot mix will be used for pavement repair and resurfacing of City streets.

The plants for R.T.I. Hot Mix, Industrial Asphalt and Capitol Aggregates are all located within the city range. This allows for the hot mix asphalt to be provided timely ensuring the mix is maintained at a high temperature and usable.

The bid and contract were structured to provide for award to both a primary contractor (first low bidder) and two alternate contractors (second and third low bidder) to assure the City of a reliable supply of asphalt material. Alternate suppliers of material are necessary when the R.T.I. Hot Mix plant is down for maintenance or has compelling large orders from other customers that consume total plant capacity, and prevent R.T.I. from filling City orders in a timely manner.

MBE/WBE Sent: 1/2

MBE/WBE Bid: 0/1



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BID TABULATION

Hot Mix Asphaltic Concrete
Types A, B, C, C (SBS), D and F
IFB No.

<u>VENDOR</u>	<u>TOTAL PRICE</u>
R.T.I. Hot Mix Pflugerville, Texas	\$2,002,500
Industrial Asphalt, Inc. Buda, Texas (WBE/FR)	\$2,078,750
Capitol Aggregates LTD Austin, Texas	\$2,088,575

A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- Adequate competition.
- Nine notices were sent including one MBE and two WBEs. Three solicitation packages were issued including one WBE. Three bids were received with one WBE responding.
- The current pricing represents a 19% increase from the previous contract. This can be attributed to rising oil prices.

APPROVAL JUSTIFICATION

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