



## STAFF REPORT

**DATE:** April 05, 2022

**TO:** Kent Cagle, City Manager

**FROM:** Jeffery Reynolds, Executive Director of Public Works

**SUBJECT:** Authorize a contract with Andale Construction to apply HA5 High Density Mineral Bond road surface treatments in an amount not to exceed \$1,000,000 citywide in FY22.

### **BACKGROUND AND FINDINGS:**

The City reviews high density bond surface treatment methods every two (2) years to procure the needed service for various roadways throughout the city. The service allows a decrease of maintenance costs, extends pavement life, and leaves no loose aggregate, but allows for equal or better-quality surface on roadways. HA5 High Density Mineral Bond surface treatment is a material that is able to hold exceptionally high concentrations of fine aggregates and other components that resist deterioration. This can be used throughout the city to preserve asphalt on residential roadways and other asphalted locations. The city's current contract expires April 14, 2022.

Andale Construction is the sole source for the HA5 High Density Mineral Bond.

The contract for this award is a term of two (2) years with a possible escalation cost due to fluctuation of material in the second year, if agreed by both parties. The expected expenditure for FY22 is \$700,000 but will not exceed \$1,000,000 citywide in FY22. Due to the uncertainty with construction availability and pricing at this time, having flexibility to add additional work under this contract will allow staff to achieve the maximum amount of benefit within the current budget. In no case will the total surface treatment costs exceed the budgeted line-item amount.

### **THE ALTERNATIVES CONSIDERED:**

1. Do not purchase or apply any High-Density Mineral Bond surface treatment
2. Authorize a contract with Andale Construction for the HA5 High-Density Mineral Bond surface treatment not to exceed \$1,000,000 citywide for FY22

### **Which alternative is recommended? Why?**

Alternative two (2) is recommended; authorize a contract with Andale Construction for the HA5 High-Density Mineral Bond surface treatment not to exceed \$1,000,000 citywide in FY22. This will allow the preventative maintenance and pavement restoration for applicable city roadways.

### **CONFORMITY TO CITY POLICY:**

Texas Local Government Code, section 252.022, exempts procurements that are available from only one source from the competitive bidding process. Statements of fact and justification of

the sole source purchase request were reviewed and approved as outlined in the City of Killeen's Financial Management Policy.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

Expenditures will not exceed \$1,000,000 in FY22. Actual costs and square yards per fiscal year will not exceed the approved budgeted line item for that year. Future years will be based on approved budgets.

**Is this a one-time or recurring expenditure?**

Recurring

**Is this expenditure budgeted?**

Yes, funds are available in the Street Maintenance Fund account 234-3445-434.42-65 for FY22.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes

**RECOMMENDATION:**

City staff recommends that City Council authorize the City Manager, or designee, to enter into contract with Andale Construction in an amount not to exceed \$1,000,000 citywide in FY22 and authorize the City Manager, or designee, to execute any and all change orders within the amounts set by State and Local Law.

**DEPARTMENTAL CLEARANCES:**

Legal  
Finance  
Purchasing  
Public Works

**ATTACHED SUPPORTING DOCUMENTS:**

Contract  
Proposal  
Certificate of Interested Parties