



STAFF REPORT

DATE: June 06, 2017

TO: Ronald L. Olson, City Manager

FROM: David Olson, Executive Director of Public Works

SUBJECT: Authorize the award of purchase contracts to Killeen Ready Mix, CrafcO, Oldcastle Materials - Wheeler, Killeen Crushed Stone, Viking Construction, and DIJ Construction for Concrete, Street Materials, Top Soil, and Slurry Seal Services, Bid 17-12

BACKGROUND AND FINDINGS:

On May 03, 2017, at 2:15pm, bids were opened and read aloud for the procurement of the City's estimated annual requirements of concrete, street materials, top soil, rock, and slurry seal services. These items include Concrete, Sac Grout, Bedding material, Thermoplastic, Crack Seal, Slurry Seal Services, Type D Asphalt, Type C Asphalt, 1.5 Asphalt Overlay, Cold mix Asphalt, Top Soil, Base Material, and Rip Rap Rock. The City's various departments and divisions utilize these materials in a variety of different applications, including construction and repair of roadways, parking areas, etc. The City's previous material contracts have all expired.

Eight (8) vendors submitted bids: Maxwell Products, Killeen Ready Mix, CrafcO, International Slurry Services Inc., Oldcastle Materials-Wheeler, Killeen Crushed Stone, Viking Construction, and D.I.J. Construction. Bidders were instructed to bid items based upon an estimated annual need per item.

The lowest responsive and responsible bidder for each item is outlined below:

ITEM	MOST RESPONSIBLE BIDDER	BID PRICE
Concrete 3,000 PSI	Killeen Ready Mix	100.00
Concrete 3,000 PSI plus 2% Calcium	Killeen Ready Mix	106.50
Concrete 4,000 PSI	Killeen Ready Mix	110.00
8 Sac Grout	Killeen Ready Mix	130.00
Bedding Material 3/8F - Plant	Killeen Crushed Stone	14.50
Bedding Material 3/8F - Destination	Killeen Crushed Stone	20.00
Bedding Material 1/2D - Plant	Killeen Crushed Stone	14.50
Bedding Material 1/2D - Destination	Killeen Crushed Stone	20.00
Bedding Material 1D - Plant	Killeen Crushed Stone	14.50
Bedding Material 1D - Destination	Killeen Crushed Stone	20.00
Thermoplastic - White	DIJ Construction	0.62
Thermoplastic - Yellow	DIJ Construction	0.62
Thermoplastic - Black	DIJ Construction	0.60
Crack Seal Material - Polyflex III	CrafcO	0.38

Slurry Seal Services 25lbs	Viking Construction	2.69
Slurry Seal Services 18lbs	Viking Construction	2.46
Type D Asphalt - Plant	Oldcastle _ Wheeler	63.00
Type C Asphalt - Plant	Oldcastle - Wheeler	63.00
1.5 Asphalt Overlay	Oldcastle - Wheeler	13.00
Cold Mix Asphalt	Oldcastle - Wheeler	70.00
Quality Sandy Loam Top Soil - Plant	Killeen Crushed Stone	10.00
Quality Sandy Loam Top Soil - Destination	Killeen Crushed Stone	15.00
Base Material - Plant	Killeen Crushed Stone	4.95
Base Material - Destination	Killeen Crushed Stone	10.50
Rip Rap 18-24" - Plant	Killeen Crushed Stone	23.00
Rip Rap 18-24" - Destination	Killeen Crushed Stone	31.00
Rip Rap 12-18" - Plant	Killeen Crushed Stone	23.00
Rip Rap 12-18" - Destination	Killeen Crushed Stone	30.00
Rip Rap 8-12" - Plant	Killeen Crushed Stone	10.50
Rip Rap 8-12" Medium - Destination	Killeen Crushed Stone	16.00
Rip Rap 3-5" Plant	NO BID	
Rip Rap 3-5" - Destination	NO BID	

The bid solicitation also provided that if the current bidder(s) cannot fulfill an order, the City will then purchase from other area vendors that have available material that meet specification. Due to fluctuating market conditions of the materials, the bid solicitation requires that bidder's prices remain fixed during the first twelve (12) months of the contract. The contract term for this award is for a term of one (1) year with the option to extend the same for four (4) additional six (6) month periods, if agreed to by both parties.

THE ALTERNATIVES CONSIDERED:

Due to the amounts of materials exceeding the \$50,000.00 purchasing limit, there are no other alternatives for purchase of listed material.

CONFORMITY TO CITY POLICY:

Purchase amounts of \$50,000.00 or more triggers the competitive procurement process. This method is used when the requirements are clearly defined, negotiations are not necessary, and price / best value are the major determining factor for selection. This is required per State Law and the City of Killeen's Purchasing Policy.

FINANCIAL IMPACT:

Estimated expenditure for item/service/ project spanning several fiscal years: \$4,155,215.00.

Projected estimate expenditures are utilized for the City to obtain the best rate per unit pricing and can cover numerous city departments and numerous fiscal years, actual cost per fiscal year for each Department will significantly lower and will not exceed Departmental budgets. The City cannot determine the amounts per fiscal year, as these are based off of current budget, project sizes, and emergency responses per Department.

The funding for this action will be available as budgeted in the following accounts: 575-3445-434.42-90, Drainage Roadway; 550-3405-435.42-65, Water & Sewer; 010-3445-434.42-05, Walks & Drives; 575-3448-434.42-95, Ditches; 010-3445-434.42-65, Street Maintenance; and individual Departments as needed.

RECOMMENDATION:

City staff recommends that City Council award purchase contracts to Killeen Ready Mix, Crafc0, Oldcastle Materials-Wheeler, Killeen Crushed Stone, Viking Construction, and DIJ Construction for the purchase of various concrete, street materials, Top Soil, Rock, and Slurry Seal Services; authorize the City Manager to enter into a contract with the same, including the proposed extensions described; and finally, authorize the City Manager to execute any and all change orders in the amounts established by State and Local law.

DEPARTMENTAL CLEARANCES:

Legal
Finance
Purchasing
Public Works

ATTACHED SUPPORTING DOCUMENTS:

Bid Tabulation
Certificate of Interested Parties