



## STAFF REPORT

**DATE:** September 18, 2018

**TO:** Ronald L. Olson, City Manager

**FROM:** David A. Olson, Executive Director of Public Works

**SUBJECT:** Authorize the award of purchase contracts to Killeen Ready Mix, Killeen Crushed Stone, Green Dream International, DIJ Construction, Crafcoc, Inc., Viking Construction, Oldcastle Materials Texas, Roy D. Leifester, and Lone Star Paving for Concrete, Street Material, Top Soil, Rock, and Slurry Seal Services, Bid No. 18-19

### **BACKGROUND AND FINDINGS:**

On August 15, 2018, 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 included 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.

Ten (10) vendors' submitted bids: D.I.J. Construction, Crafcoc, Inc., Viking Construction, Inc., Roy D. Leifester, Killeen Crushed Stone, Intermountain Slurry Seal, Inc., Green Dream International, LLC, Lone Star Paving, Oldcastle Materials Texas, Inc., and Killeen Ready Mix, LTD. 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:

<b>ITEM</b>	<b>MOST RESPONSIBLE BIDDER</b>	<b>BID PRICE</b>
Concrete 3,000 PSI	Killeen Ready Mix	\$100.00/cubic yard
Concrete 3,000 PSI plus 2% calcium	Killeen Ready Mix	\$106.50/cubic yard
Concrete 4,000 PSI	Killeen Ready Mix	\$110.00/cubic yard
8 Sac Grout	Killeen Ready Mix	\$130.00/cubic yard
Bedding Material 3/8 F - Plant	Green Dream International	\$13.13 per ton
Bedding Material 3/8 F- Destination	Killeen Crushed Stone	\$20.00 per ton
Bedding Material 1/2 D - Plant	Killeen Crushed Stone	\$14.50 per ton
Bedding Material 1/2 D - Destination	Killeen Crushed Stone	\$20.00 per ton
Bedding Material 1 D - Plant	Green Dream International	\$8.19 per ton
Bedding Material 1 D - Destination	Green Dream International	\$19.58 per ton
Thermoplastic - White	D.I.J. Construction	\$0.65 per lb
Thermoplastic - Yellow	D.I.J. Construction	\$0.65 per lb
Thermoplastic - Black	D.I.J. Construction	\$0.63 per lb

Crack Seal Material - Polyflex III	Crafco	\$0.48 per lb
Slurry Seal Services-Pay Item 25lbs	Viking Construction	\$3.15/square yard
Slurry Seal Services-Pay Item 18lbs	Viking Construction	\$2.71/square yard
Type D Asphalt - Plant	Oldcastle Materials	\$60.00 per ton
Type C Asphalt - Plant	Oldcastle Materials	\$65.00 per ton
1.5 Asphalt Overlay	Lone Star Paving	\$8.75/square yard
Cold Mix Asphalt - Plant	Oldcastle Materials	\$68.00 per ton
Cold Mix Asphalt - Destination	Oldcastle Materials	\$76.00 per ton
Quality Sandy Loam Top Soil - Plant	Killeen Crushed Stone	\$10.00 per ton
Quality Sandy Loam Top Soil-Destination	Roy D. Leifester	\$11.45 per ton
Base Material - Plant	Killeen Crushed Stone	\$4.95 per ton
Base Material - Destination	Killeen Crushed Stone	\$10.50 per ton
Rip Rap 18-24" - Plant	Killeen Crushed Stone	\$23.00 per ton
Rip Rap 18-24" - Destination	Roy D. Leifester	\$22.45 per ton
Rip Rap 12-18" - Plant	Killeen Crushed Stone	\$23.00 per ton
Rip Rap 12-18" - Destination	Roy D. Leifester	\$22.45 per ton
Rip Rap 8-12" Medium - Plant	Killeen Crushed Stone	\$23.00 per ton
Rip Rap 8-12" Medium-Destination	Roy D. Leifester	\$22.45 per ton
Rip Rap 3-5" - Plant	Green Dream International	\$9.87 per ton
Rip Rap 3-5" - Destination	Killeen Crushed Stone	\$16.00 per ton

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 specifications. 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:**

1. Award the bid based upon submittals received
2. Reject all bids, continue using purchases on a "per order" status

**Which alternative is recommended? Why?**

Recommend Alternate One Award of bid based upon submittals received. This is the most beneficial for the City of Killeen.

**CONFORMITY TO CITY POLICY:**

Per Purchasing Policy, Purchas of \$50,000.00 or more, by State law, triggers the competitive procurement process. The ITB uses the competitive sealed bid method. Requirements are clearly defined, negotiations are not necessary and price is the major determining factor for selection.

**FINANCIAL IMPACT:**

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

Projected expenditures are utilized for the City to obtain the best rate per unit pricing covering multiple City Departments and fiscal years. Actual costs per fiscal year for each Department may be significantly lower and will not exceed Departmental budgets. The final fiscal impact will be based upon the allocated budget and work load for the year.

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

The purchases will be recurring expenditures with fixed prices for the first twelve months of the contract. The contract term for the award can be extended the same for four (4) additional six (6) month periods, if agreed by both parties.

**Is this expenditure budgeted?**

Yes, all purchases of materials are budgeted within the individual Department's budget.

**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 award purchase contracts to Killeen Ready Mix, Killeen Crushed Stone, Green Dream International, DIJ Construction, Crafc0, Inc., Viking Construction, Oldcastle Materials Texas, Roy D. Leifester, and Lone Star Paving 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  
Public Works

**ATTACHED SUPPORTING DOCUMENTS:**

Bid Tabulation  
Certificate of Interested Parties