



City of Killeen

Legislation Text

File #: RS-24-015, **Version:** 1

Consider a memorandum/resolution authorizing the award of Bid No. 24-16, Street Construction Materials, in an amount not to exceed \$700,000 citywide for FY 2024.

DATE: January 23, 2024

TO: Kent Cagle, City Manager

FROM: Steve Kana, Interim Executive Director of Public Works

SUBJECT: Authorize the award of Bid No. 24-16, Street Construction Materials to selected vendors

BACKGROUND AND FINDINGS:

The City solicits street construction material bids on an annual basis in order to procure materials needed for maintenance projects. Materials from these bids are utilized by various departments and divisions throughout the City of Killeen on construction projects, repair of roadways, parking areas, water mains, etc.

On December 06, 2023, bids were opened and read aloud for the City's procurement of the annual requirements of Street Construction Materials. The City's previous Street Construction Materials contract will expire January 13, 2024. The total purchase of materials will not exceed \$700,000 City-wide in FY 2024 and will be based on the approved budget and will be subject to City Council approval.

Five (5) vendors submitted bids: Centerline Supply, Crafcro, Inc., D.I.J. Construction, Inc., Killeen Crushed Stone, and Texas Materials Group. Bidders were instructed to bid items based upon estimated annual need per item and per item amounts.

Transportation, along with Purchasing, evaluated each bid's conformance with the bid information and instructions. Each bidder is ranked in accordance with the best value procedures and represents the best value to the City taking into consideration the qualifications, references, and cost of the Bidder, in accordance with the Bid General Terms and Conditions. The bid tab attached shows pricing as received from all vendors.

Due to fluctuating market conditions of the materials, the bid solicitation requires that the bidder's prices remain firm during the entire twelve (12) month contract. The contract term shall be a one (1) year period. After the exhaustion of the entire contract term, the City may request up to an additional sixty (60) days to advertise and award a new bid for such items without pricing adjustments.

THE ALTERNATIVES CONSIDERED:

1. Reject all bids and make purchases on a "per order / project" basis;
2. Authorize award of Bid No. 24-16, Street Construction Materials, to selected vendors, in an amount not to

exceed \$700,000 citywide in FY 2024.

Which alternative is recommended? Why?

Alternative two (2) is recommended; Authorize award of Bid No. 24-16, Street Construction Materials, to selected vendors, in an amount not to exceed \$700,000 citywide in FY 2024. This will allow the City to obtain services for the maintenance of streets and other critical infrastructure.

CONFORMITY TO CITY POLICY:

Per Purchasing Policy, purchase of \$50,000 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 best value methods are 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 significantly be lower and will not exceed departmental budgets. The final fiscal impact will be based upon the allocated budget and workload for the year. Future expenditures will be based on the approved budget. The total will not exceed \$700,000 City-wide for FY 2024.

Is this a one-time or recurring expenditure?

The purchases will occur on an individual basis under terms of the contract as projects are scheduled.

Is this expenditure budgeted?

Yes, funds are available in the following funds, departments and accounts: General Fund - Parks Department accounts 010-3025-425.41-65 and 010-3025-425.42-90; General Fund - Public Works Department account 010-3445-434.42-06; Street Maintenance Fund - Public Works Department account 234-3445-434.42-65; Solid Waste Fund - Public Works Department account 540-3475-439.42-06; Water and Sewer Fund - Public Works Department accounts 550-3410-436.42-65 and 550-3415-437.42-65; and Drainage Utility Fund - Public Works Department accounts 575-3445-434.42-06 and 575-3448-434.42-06.

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 Council authorize the award of Bid 24-16 Street Construction Materials to selected vendors in an amount not to exceed \$700,000 City-wide in FY 2024; authorize the City Manager, or designee, to execute a contract;

and furthermore, 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:

Agreements
Bid Tabulation
Certificate of Interested Parties
Presentation