



City of Killeen

Legislation Text

File #: RS-23-026, Version: 1

Consider a memorandum/resolution authorizing re-award for Bid No. 22-02, Pavement Marking Services, to D.I.J. Construction, Inc. in the amount of \$300,000.

DATE: February 07, 2023

TO: Kent Cagle, City Manager

FROM: Jeffery Reynolds, Executive Director of Public Works

SUBJECT: Authorize the re-award of Bid No. 22 - 02, Pavement Marking Services, to D.I.J. Construction, Inc. in the amount of \$300,000.

BACKGROUND AND FINDINGS:

The City solicits Pavement Marking Service bids every two (2) years for various pavement marking projects utilized by departments throughout the City. Pavement markings are intended to increase the safety and efficiency of roadway traffic by delineating the roadway path and specific traffic lanes. Pavement markings provide information to road users related to the roadway alignment, vehicle positioning, and other important driving related tasks.

On January 11, 2022, City Council authorized the award for Bid No. 22-02, Pavement Marking Services to Green Dream International for a two (2) year agreement. On December 13, 2022, City staff received notification from Green Dream International that it would not be able to fulfill the remainder of the agreement.

Per the Agreement with Green Dream International, the City reserved the right to terminate the agreement with a thirty (30) day written notice. On January 11, 2023, Purchasing mailed the 30-day Notice of Termination letter to Green Dream International.

Per Bid No. 22-02, General Terms & Conditions, the City reserved the right to award a cancelled contract to the next best offeror as it deems to be in the best interest of the City. Transportation and purchasing deem it to be in the best interest of the City to enter into an agreement with D.I.J. Construction Inc.; the lowest responsible and only other bidder for Bid No. 22-02, Pavement Marking Services. The agreement would become effective the day that it is signed by the City and remain in effect until January 11, 2024, when a new Invitation to Bid will be awarded.

THE ALTERNATIVES CONSIDERED:

1. Issue a new Invitation to Bid (ITB) in FY23, instead of FY24.
2. Do not authorize the re-award of Bid 22-02, Pavement Marking Services, to D.I.J. Construction, Inc., and utilize a per service basis for projects.

3. Authorize re-award of Bid 22-02, Pavement Marking Services, to D.I.J. Construction, Inc. as the only additional bidder.

Which alternative is recommended? Why?

Alternative three (3) is recommended. Allowing the city to obtain pavement marking services to complete roadway maintenance projects with fixed costs.

CONFORMITY TO CITY POLICY:

Per Purchasing Policy, purchases of \$50,000 or more by State law trigger the competitive procurement process. The ITB uses competitive sealed bid method. Requirements are clearly defined, negotiations are not necessary, and best value methods are the major determining factors 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 for multiple 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 be \$300,000 citywide for FY23.

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 on various street maintenance and pavement marking accounts, throughout multiple funds and department operating budgets.

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 the City Council authorize the award of Bid No. 22-02, Pavement Marking Services, to D.I.J. Construction in an amount of \$300,000 for FY23 and authorize the City Manager, or designee, to enter into an agreement with D.I.J. Construction and execute any and all change orders within the amount set by State and Local law.

DEPARTMENTAL CLEARANCES:

Legal
Finance
Public Works

ATTACHED SUPPORTING DOCUMENTS:

Termination Letter
Bids
Agreement
Certificate of Interested Parties