



AGENDA MEMORANDUM

Action Item for the City Council Meeting July 16, 2024

DATE: July 16, 2024

TO: Peter Zaroni, City Manager

FROM: Ernesto De La Garza, Director of Public Works
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Crushed Limestone for Public Works

CAPTION:

Motion authorizing a three-year supply agreement, with two one-year options, with Martin Marietta Southwest, LLC, of San Antonio, in an amount not to exceed \$1,520,700.00 and a potential up to \$2,534,500.00 if options are exercised, to purchase crushed limestone for the Public Works Department, with FY 2024 funding of \$126,725.00 from the Streets Fund.

SUMMARY:

This motion authorizes a three-year supply agreement with Martin Marietta Southwest, LLC of San Antonio, Texas. This supply agreement will provide for needed material to the Public Works Department for city-wide street maintenance and repair projects.

BACKGROUND AND FINDINGS:

The Public Works Department has procured limestone to maintain a readily available supply for repairs and roadway improvements. Limestone base, widely recognized by the industry as a standard material for building roadway sections, offers versatility and durability. By actively managing a stockpile, we ensure consistent material quality while maintaining cost-effectiveness.

Vulcan Construction Materials, LCC, had provided crushed limestone to Public Works since FY 2015. The previous three-year supply agreement with Vulcan Construction materials has expired, therefore warranting a new three-year contract. The high demand

of limestone in the market correlates with the rise in costs seen throughout the industry.

This year, Martin Marietta Southwest, LLC of San Antonio responded with a lower bid, outbidding the incumbent supplier by 2.6%. Crushed limestone is essential for stabilizing the road base. This material services as a structural base foundation on new pavement designs or pavement reconstruction.

PROCUREMENT DETAIL:

Contracts and Procurement conducted a competitive Request for Bid (RFB) to obtain bids for a three-year supply agreement to provide crushed limestone for the Public Works Department. Contracts and Procurement generated over fifty (50) notifications to suppliers of products and services requested.

The City received three responsive bids: Martin Marietta Materials located in San Antonio, Vulcan Construction Material, LCC located in San Antonio, and Anderson Columbia Co, Inc., located in Corpus Christi. Martin Marietta Southwest, LLC., outbid the incumbent supplier by 2.6%. City staff recommends awarding the lowest responsive, responsible bidder, Martin Marietta Southwest, LLC of San Antonio, Texas.

Description	Unit	2021	2024	Variance \$ Per Ton	Variance % per Ton
		Unit Price/ Per Ton	Unit Price/ Per Ton		
Crushed Limestone	Tons	\$27.00	\$50.69	\$23.69	87.74%

ALTERNATIVES:

The alternative is not to award this supply agreement; however, crushed limestone serves as an integral material for street maintenance and repair projects.

FISCAL IMPACT:

The fiscal impact FY 2024 is \$126,725 with funding available in the Street Fund.

FUNDING DETAIL:

Fund: 1041 Street Fund
Organization/Activity: 12430 Surface Preservation
Department: 33 Streets
Project # (CIP Only):
Account: 520130 Maintenance and Repair

RECOMMENDATION:

Staff recommends approval to execute this motion authorizing a three-year supply agreement with Martin Marietta Southwest, LLC of San Antonio for crushed limestone for Public Works as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Service Agreement
Presentation