



AGENDA MEMORANDUM

Action Item for the City Council Meeting April 23, 2024

DATE: April 23, 2024

TO: Peter Zanoni, City Manager

FROM: Ernesto De La Garza, Director of Public Works
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Cement in Bulk for Public Works
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CAPTION:

Motion authorizing execution of a two-year supply agreement with South Texas Cement, LLC, of New Braunfels, with an office in Corpus Christi, in an amount not to exceed \$199,000.00, for bulk cement for the Public Works Department, with FY 2024 funding of \$41,458.33 from the Street Fund.

SUMMARY:

Motion authorizing a two-year supply agreement with South Texas Cement, LLC of Corpus Christi, for cement in bulk for the Public Works Department.

BACKGROUND AND FINDINGS:

Cement in bulk will be utilized by Public Works Street Operations by mixing cement into existing roadway material with a Reclaimer. Cement stabilizing existing roadways is a good way to reutilize the existing material by making it more durable and longer lasting while reducing construction time. The recycling of existing roadway materials reduces the need to haul off and bring in new material making it a cost-effective alternative in reconstruction and rehabilitation of roadways.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid to obtain bids for a two-year supply agreement to provide cement in bulk for the Public Works Department. Finance & Procurement included in its request for bid, 10 commodity codes for concrete and cement which generated over 550 notifications to suppliers of products and services requested. The City received one responsive, responsible bid, and is recommending the award to the South Texas

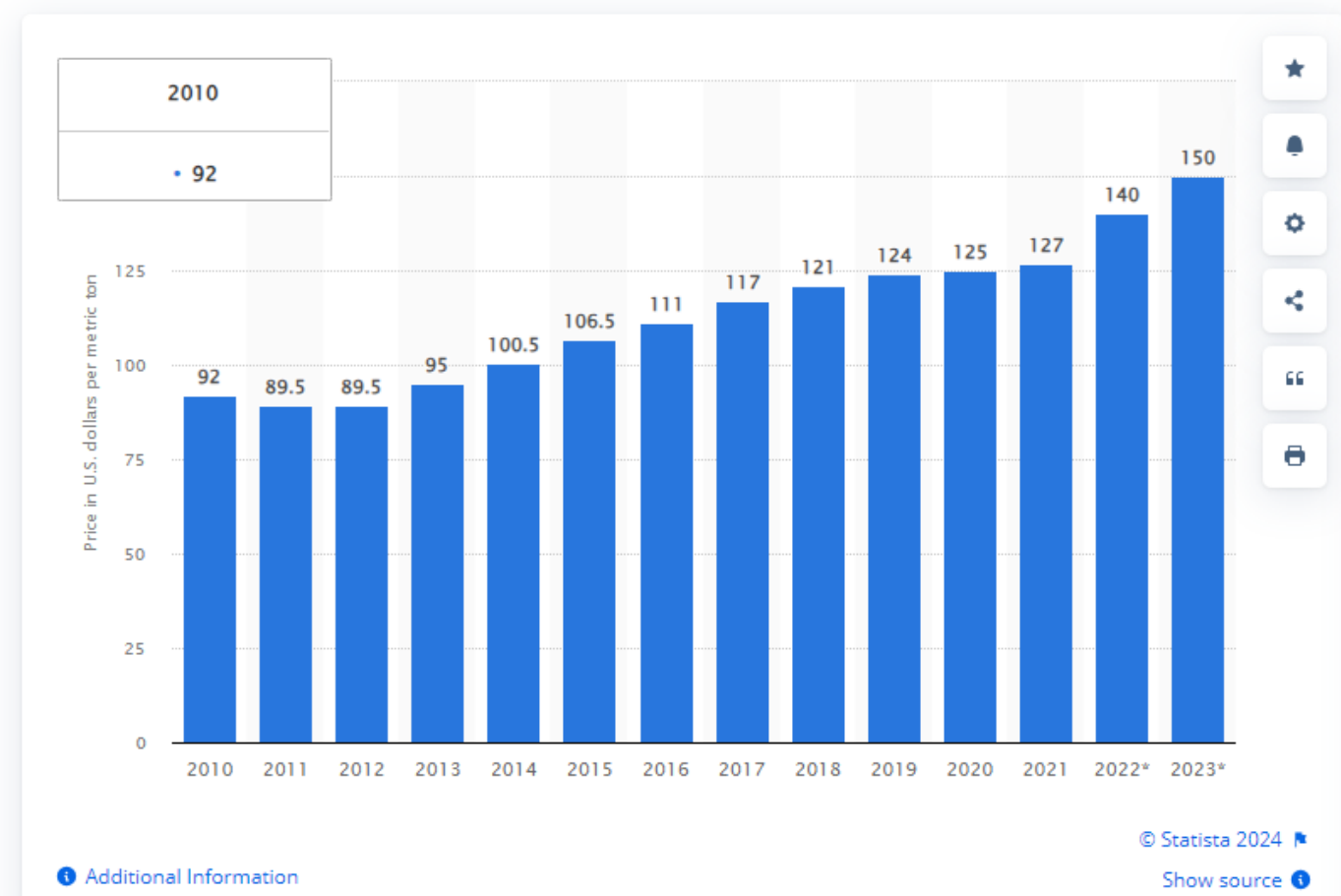
Cement, LLC of Corpus Christi. South Texas Cement, LLC has supplied the City on various projects through the years and is the incumbent for cement in bulk. This vendor is the only regional supplier of cement.

The price per ton of cement in bulk has increased over the years and the table below will reflect the differences from year to year which coincides with competitive market pricing. The price per ton the City is receiving includes delivery and spreader bar cost.

		2019	South Texas Cement	2023	South Texas Cement	2024	South Texas Cement	Variance Cost per Ton
Description	Unit	Qty	Unit Price	Qty	Unit Price	Qty	Unit Price	
Cement in bulk	Tons	250	\$152.00	200	\$190.00	1,000	\$199.00	4.7%

Cement prices in the United States from 2010 to 2023

(in U.S. dollars per metric ton)



ALTERNATIVES:

An alternative to this motion would be to find another material to strengthen our existing road material during rehab or remove and replace bad road material causing longer durations for reconstruction and rehabilitation.

FISCAL IMPACT:

The fiscal impact for FY 2024 is \$41,458.33 with funding available in the Street Fund.

FUNDING DETAIL:

Fund:	Street Fund
Organization/Activity:	12430 Surface Preservation
Department:	33 Streets
Project # (CIP Only):	N/A
Account:	530215 Maintenance and Repairs Contracted

RECOMMENDATION:

Staff recommends approval to execute this motion authorizing a two-year supply agreement with South Texas Cement, LLC, of Corpus Christi for cement in bulk for the Public Works Department as presented.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement
Supply Agreement