



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of August 14, 2018  
Action Item for the City Council Meeting of August 21, 2018

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**DATE:** August 14, 2018

**TO:** Keith Selman, Interim City Manager

**FROM:** Andres Leal, Jr., P.E., Director of Street Operations  
[andyl@cctexas.com](mailto:andyl@cctexas.com)  
(361) 857-1957

Kim Baker, Assistant Director of Financial Services-Purchasing Division  
[KimB2@cctexas.com](mailto:KimB2@cctexas.com)  
(361) 826-3169

<b>Supply Agreement for Emulsion Oil (SS-1H) for Street Operations</b>
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**CAPTION:**

Motion authorizing a three-year supply agreement with Ergon Asphalt & Emulsions Inc., of Austin, Texas, for the purchase of emulsion oil (ss-1h), for the total amount not to exceed \$328,366.50.

**PURPOSE:**

This item is to approve the purchase of emulsion oil (ss-1h) for Street Operations.

**BACKGROUND AND FINDINGS:**

The ss-1h emulsion oil is used by Street Services as a tack-coat for asphalt street repair.

The Purchasing Division conducted a competitive RFB process to obtain bids for a new contract. The City received one bid due to the limited number of suppliers in the area for this material. Staff recommends award to Ergon Asphalt & Emulsions Inc.

**ALTERNATIVES:**

No alternatives

**OTHER CONSIDERATIONS:**

None

**CONFORMITY TO CITY POLICY:**

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency.

**DEPARTMENTAL CLEARANCES:**

Street Operations

**FINANCIAL IMPACT:**

X Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2017-2018</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget	\$2,068,181.00	\$5,859,846.17	\$7,928,027.17
Encumbered / Expended Amount	\$1,219,864.70	\$0.00	\$1,219,864.70
This item	\$18,242.58	\$310,123.92	\$328,366.50
BALANCE	\$830,073.72	\$5,549,722.25	\$6,379,795.97

Fund(s): Street Maintenance Fund 1041

**Comments:**

The initial Contract term total is \$328,366.50.00 for 36 months, of which \$18,242.58 is funded in FY2017-18.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation