



AGENDA MEMORANDUM

Future Item for the City Council Meeting of November 13, 2018
Action Item for the City Council Meeting November 27, 2018

DATE: November 13, 2018

TO: Keith Selman, Interim City Manager

FROM: Andres Leal, Jr., P.E., Director of Street Operations
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Supply Agreements for Hot Mix Asphaltic Concrete for Street Operations

CAPTION:

Motion authorizing two three-year supply agreements for the purchase of hot mix asphaltic concrete, one with Bay Ltd. and one with HAC Materials, Ltd. both of Corpus Christi, Texas for the total combined amount not to exceed \$7,515,516.

Bay, Ltd.
[Corpus Christi, Texas](http://CorpusChristi.Texas)
\$5,220,516
Primary Supplier

HAC Materials, Ltd.
[Corpus Christi, Texas](http://CorpusChristi.Texas)
\$2,295,000
Secondary Supplier

PURPOSE:

This item is to approve the purchase of hot mix asphaltic concrete for Street Operations.

BACKGROUND AND FINDINGS:

Street Operations uses hot mix asphaltic concrete (HMAC) for potholes, base failures, utility cuts, skin patches, and level-ups to repair and maintain city streets.

The Purchasing Division conducted a competitive RFB process to obtain bids for a new contract. The City received two bids. This bid indicated a primary and secondary award would be established to provide for a backup supplier to the contract in the event the primary supplier is unable to provide the product. An estimated 70/30 percentage split is projected to be purchased from each of the suppliers. Staff is recommending Bay, Ltd. as the lowest, responsive, responsible bidder as the primary vendor and HAC Materials, Ltd as the secondary vendor.

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:

Operating Revenue Capital Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget	\$2,782,825.80	\$5,010,344.00	\$7,793,169.80
Encumbered / Expended Amount	\$17,076.68	\$0.00	\$17,076.68
This item	\$2,505,172.00	\$5,010,344.00	\$7,515,516.00
BALANCE	\$260,577.12	\$0.00	\$260,577.12

Fund(s): Streets

Comments:**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreements