



AGENDA MEMORANDUM

Future Item for the City Council Meeting of August 29 2017
Action Item for the City Council Meeting of September 12, 2017

DATE: August 29, 2017

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Executive Director of Utilities
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Kim Baker, Assistant Director of Financial Services, Purchasing Division
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Cement Stabilizing Sand Supply Agreement

CAPTION:

Motion authorizing City Manager, or designee, to execute a supply agreement with Aaron Concrete Contractors, of Aransas Pass, Texas for the supply of cement stabilizing sand in response to Request for Bid No. 1152 based on the lowest responsive, responsible bid for a total amount not to exceed \$297,828.94, with an estimated expenditure of \$24,819.08 in FY2016-2017. The term of the agreement is for one year with an option to extend for up to two additional one year periods, subject to the sole discretion of the City.

PURPOSE:

This item is to approve a supply agreement for cement stabilizing sand for the Utilities Department.

BACKGROUND AND FINDINGS:

The daily operations of the Utilities Department, which includes emergency repairs and line location requires Cement Stabilizing Sand for backfilling repairs made to street water lines, and for backfilling around water line repairs.

The Purchasing Division conducted a competitive Request for Bid process to obtain bids for a new contract. The City received two responses. Staff is recommending the award to the lowest responsive, responsible bidder, Aaron Concrete Contractor.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

Not applicable.

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:

Utilities Department

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$522,283.93	\$273,009.86	\$795,293.79
Encumbered / Expended Amount	\$442,618.05	\$0.00	\$442,618.05
This item	\$24,819.08	\$273,009.86	\$297,828.94
BALANCE	\$54,846.80	\$0.00	\$54,846.80

Fund(s): Water, Wastewater, Stormwater

Comments:

The initial contract term total is \$297,828.94, of which \$24,819.08 will be funded in FY2016-17. The total estimated contract value will be \$893,486.82 if all options years are executed.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Bid Tabulation