

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	15419	Agenda Number	59.
Meeting Date:	May 24, 2012			
Department:	Purchasing			

Subject

Authorize award and execution of a 36-month service agreement with AARON CONCRETE CONTRACTORS, LP, Austin, TX for milling of hot mix asphaltic concrete pavement services for the Public Works Department in an amount not to exceed \$535,800 with three 12-month extension options in an amount not to exceed \$178,600 for each option, for a total contract amount not to exceed \$1,071,600.

Amount and Source of Funding

Funding in the amount of \$59,533 is available in the Fiscal Year 2011-2012 Operating Budget of the Public Works Department. Funding for the remaining thirty-two months of the original contract and extension options is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	Lowest bid received.
Prior Council Action:	
For More Information:	Erin Grace, Buyer, 972-4017
Boards and Commission Action:	
Related Items:	
MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Additional Backup Information

This contract is for milling services, which includes personnel and equipment for the Street and Bridge Operations, Public Works Department. Services include the milling of hot mix asphaltic concrete and transport of milled material to various Public Works locations. The milled material will be utilized by the Street & Bridge Operations for street rehabilitation paving projects located within the City of Austin limits. These services supplement the City's milling operations when City crews need assistance to meet the demand or time limit.

Street milling is accomplished by the operation of a machine that grinds a layer of up to two inches of asphalt off of an existing road. After the milling, a new layer of hot mix asphalt concrete pavement is applied to the road. The loose milled material is reused for street repairs.

The contract for milling services will be used to allocate major project resources in the following maintenance operations:

- a. Larger utility cuts (Water and Wastewater sewer and main water line repairs)
- b. Spot repairs (spot road repairs)
- c. Overlay operations (lay a new driving surface over an existing surface)
- d. Street rehabilitation projects (street resurfacing)

The contract will provide the Street & Bridge Operations with the flexibility to increase scheduled street maintenance.

MBE/WBE solicited: 7/12

MBE/WBE response: 1/0

BID TABULATION

IFB BKH0131REBID

Hot Mix Asphaltic Concrete Pavement Services
(11 Line Items)

<u>Vendor</u>	<u>Total Price for Twelve Month Period</u>
Aaron Concrete Contractors, LP Austin, TX	\$178,600
JAE Constructions, Inc. Austin, TX	\$432,160

A completed bid tabulation is on file in the Purchasing Office and on the City of Austin, FASD Purchasing website.

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred-fifty notices were sent, including 12 MBE and 7 WBE firms listed under this service. Four bids were received, with one response from the MBE/WBEs.
- c. The pricing offered represents a 124% increase over the awarded contract executed in January 2008 due to higher diesel fuel, labor costs, equipment maintenance and replacement of parts. Also the previous contract held the same prices throughout the life of the contract (January 2008 through December 2011); no increases were processed. Aaron Concrete Contractors is the current provider of these services.

APPROVAL JUSTIFICATION

- a. Lowest bid.
- b. The Purchasing Office concurs with the Public Works Department recommended award.
- c. Advertised in the Austin American Statesman and on the Internet.