

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	24170	Agenda Number	45.
---------------------	----------	-------	---------------	-----

Meeting Date:	May 23, 2013
---------------	--------------

Department:	Purchasing
-------------	------------

Subject

Authorize award and execution of a 36-month requirements supply contract with ERGON ASPHALT & EMULSIONS, INC., to provide asphalt emulsions for the Public Works Department, in an estimated amount not to exceed \$8,250,000, with three 12-month extension options in estimated amounts not to exceed \$2,750,000 for each extension option, for a total estimated contract amount not to exceed \$16,500,000.

Amount and Source of Funding

Funding in the amount of \$916,667 is available in the Fiscal Year 2012-2013 Operating Budget of the Public Works Department. Funding for the remaining 32 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole bid received.
----------------------	--------------------

Prior Council Action:	
-----------------------	--

For More Information:	Erin D'Vincent, Buyer II, 972-4017
-----------------------	------------------------------------

Boards and Commission Action:	
-------------------------------	--

Related Items:	
----------------	--

MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (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 establishes a supply agreement for asphalt emulsions for the Public Works Department (PWD), Street and Bridge Operations. The asphalt emulsions are used by PWD for various street maintenance operations. The asphalt emulsions will be picked up by City paving crews and/or delivered from the contractor's plant. The emulsions are used more heavily during peak season, typically April through September, for pothole patching and trap rock sealcoat resurfacing. A sealcoat resurfacing application is the application of hot liquid asphalt covered by an application of aggregate. This street maintenance strategy seals the existing street surface from water penetration and provides a new abrasive street surface wearing course. The sealcoat application maintains the service life of the street by deterring the effects of weather and traffic. This contract ensures that asphalt emulsions are readily available for timely repairs and maintenance. The sealant that will be used does not contain coal tar.

MBE/WBE solicited: 2/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. EAD0219

Asphalt Emulsions

(4 line items)

Vendor

Total Price

Ergon Asphalt & Emulsions, Inc.
Austin, TX

\$2,584,950.00

The expenditures for the first 12 months of this contract are estimated to be \$2,750,000. A copy of the complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-one notices were sent, including two MBEs. There are no known WBEs registered for this commodity. One bid was received, with no response from the MBEs.
- c. The pricing offered represents at 2% increase from the current contract price which was awarded in June 2009.

APPROVAL JUSTIFICATION

- a. Sole bid. Ergon Asphalt & Emulsions, Inc. is the current supplier of this material.
- b. The Purchasing Office concurs with the Public Works Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.