

**AGENDA**



**Recommendation for Council Action (Purchasing)**

Austin City Council	Item ID:	52944	Agenda Number	47.
---------------------	----------	-------	---------------	-----

Meeting Date:	December 17, 2015
---------------	-------------------

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

Subject

Authorize award and execution of a 12-month contract with LAUREN CONCRETE LP, to provide ready-mix concrete, in an amount not to exceed \$732,175, with four 12-month extension options in an amount not to exceed \$732,175 per extension option, for a total contract amount not to exceed \$3,660,875.

Amount and Source of Funding

Funding in the amount of \$183,044 is available in the Fiscal Year 2015-2016 Operating Budget of Austin Energy. Funding for the remaining nine 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:	Lowest bid received.
----------------------	----------------------

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

For More Information:	Darralyn N. Johnson, Buyer II, 512 505-7293.
-----------------------	--

Boards and Commission Action:	November 16, 2015 - Approved by the Electric Utility Commission on a 10-0 vote, with Commissioner Heidebrecht off the dais.
-------------------------------	---

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

MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.
------------	---

Additional Backup Information

The contract is for the purchase of various types of ready-mix concrete to be used by Austin Energy on an as-needed basis. Ready-mix concrete is a type of concrete that is manufactured in a factory or batching plant according to a set recipe, and then delivered to a work site by truck-mounted transit mixers. Austin Energy will use this concrete for various installation and maintenance projects; including, but not limited to encasement of electrical conduit, concrete repairs, installation of pull boxes, and creation of pads for substation equipment including such as transformers, switchgear, and circuit breakers.

There is no current contract for these products; therefore, approval is requested to provide Austin Energy with an efficient and reliable supply of these products.

MBE/WBE solicited: 10/0

MBE/WBE bid: 0/0

**BID TABULATION**  
IFB DNJ0114REBID2  
Ready-Mix Concrete  
(6 - line items)

<b><u>Vendor</u></b>	<b><u>Total Bid</u></b>
Lauren Concrete LP Austin, TX	\$732,175
RediMix LLC dba Custom Crete Austin, TX	\$798,315

\* The City has elected not to award line item 5; therefore, the bid tabulation shown above is for line items 1-4, 6 and 7 only.

A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance Online website at: [https://www.austintexas.gov/financeonline/vendor\\_connection/solicitation/search.cfm](https://www.austintexas.gov/financeonline/vendor_connection/solicitation/search.cfm)

**PRICE ANALYSIS**

- a. Adequate competition.
- b. 113 notices were sent including 10 MBEs. There are no known WBEs for this commodity code. Two bids were received with no response from the MBEs. Multiple notices may be sent to the same vendor, e.g. one vendor may have multiple email addresses/fax numbers.
- c. The pricing offered represents a 40% increase to the last contract award made in May 2012. The increase in construction projects in the Austin area has caused an increase in demand for concrete, subsequently increasing the price. Although a higher price compared to the last contract, this pricing represents a competitive price within the marketplace as supported by the other bid that was received.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received.
- b. The Purchasing Office concurs with the Austin Energy's recommended award.

c. Advertised on the Internet.