



## Recommendation for Action

**File #:** 23-2265, **Agenda Item #:** 36.

7/20/2023

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### **Posting Language**

Authorize execution of a contract for Type 1L hydraulic cement with Capitol Aggregates Inc., for a term of five years in an amount not to exceed \$4,000,000.

[Note: 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 required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

All City Departments.

### **Fiscal Note**

Funding in the amount of \$200,000 is available in the Fiscal Year 2022-2023 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

The Financial Services Department issued an Invitation for Bids (IFB) 6200 AMA1084 for these goods. The solicitation was issued on March 6, 2023, and closed on March 28, 2023. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bid received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents <https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=138034>](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=138034).

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

### **Additional Backup Information:**

The contract is for the supply of Type 1L hydraulic cement for use by various City departments. This material is needed to produce concrete for the repair and construction of Americans with Disabilities Act ramps, sidewalks, curbs and gutters, driveways, inlets, streets, bridges, and other concrete structures. This cement is delivered to City storage silos, where it is then loaded daily into volumetric concrete trucks for repair and construction projects. The cement is a vital component required to produce fresh concrete which will allow staff to make specific amounts of concrete needed on a job site, with nearly no waste of material or time waiting for delivery.

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Increased authorization amounts are due to escalations in pricing. The City anticipates an increased need in supply due to an uptick of projects to be completed in upcoming years and a rise in repair requests from various departments. Additionally, an increase in spending is anticipated due to the Austin Mobility Bond that was approved November 8, 2016.

This contract will replace a contract which expired May 30, 2023. The requested authorization amounts were determined using departmental estimates based on historical spend, along with a small annual increase to account for an increase in production and shipping. The recommended contractor was the previous provider of these goods.

If the City is unable to secure a contract, the City will have to make individual purchases on an as-needed basis. This will affect the City's ability to take advantage of bulk pricing discounts, and would result in a reduction in efficiency, production, and responsiveness, delaying construction and repairs.