

Mayor and Council Communication

DATE: 06/27/23

M&C FILE NUMBER: M&C 23-0571

LOG NAME: 13P ITB 23-0065 HOT AND COLD ASPHALT AW WTR

SUBJECT

(ALL) Authorize the Execution of Non-Exclusive Agreements with Asphalt Patch Enterprises, Inc., Austin Asphalt, Inc., Reynolds Asphalt & Construction Company, and Texas Materials Group, Inc. for the Purchase of Hot and Cold Asphalt for the Water Department on an "As Needed" Basis in a Combined Annual Amount Up to \$ 3,674,000.00 for the Initial Term and Authorize Four, One-Year Renewals in the Amounts of \$4,408,800.00 for the First Renewal, \$5,290,560.00 for the Second Renewal, \$6,348,672.00 for the Third Renewal, and \$7,618,406.00 for the Fourth Renewal

RECOMMENDATION:

It is recommended that the City Council authorize the execution of non-exclusive agreements with Asphalt Patch Enterprises, Inc., Austin Asphalt, Inc., Reynolds Asphalt & Construction Company, and Texas Materials Group, Inc. for the purchase of hot and cold asphalt for the Water Department on an "as needed" basis in a combined annual amount up to \$ 3,674,000.00 for the initial term and authorize four, one-year renewals in the amounts of \$4,408,800.00 for the first renewal, \$5,290,560.00 for the second renewal, \$6,348,672.00 for the third renewal, and \$7,618,406.00 for the fourth renewal.

DISCUSSION:

The Water Department approached the Purchasing Division for assistance with securing an agreement for hot and cold asphalt to maintain the safety of streets throughout the City of Fort Worth. Purchasing issued an Invitation to Bid (ITB) that consisted of detailed specifications regarding the requirements for the composition of the hot and cold asphalt, and delivery and pickup procedures. The ITB was advertised in the *Fort Worth Star-Telegram* on May 3, 2022, May 10, 2022, and May 17, 2022. The City received four responses.

Staff evaluated the bid responses based on lowest responsible bidder criteria and recommends awarding agreements to Asphalt Patch Enterprises, Inc., Austin Asphalt, Inc., Reynolds Asphalt & Construction Company, and Texas Materials Group, Inc. No guarantee was made that a specific amount of items will be purchased.

Description	Asphalt Patch Enterprises, Inc.	Austin Asphalt, Inc.	Reynolds Asphalt & Construction Company	Texas Materials Group, Inc.
Asphalt, Hot Mix, Cold Lay, Type FF, Picked up at Vendor's Plant	NO BID	NO BID	NO BID	\$68,750.00
Asphalt, Hot Mix, Hot Lay, Type B, Picked up at Vendor's Plant	NO BID	\$139,800.00	\$156,000.00	\$150,000.00
Asphalt, Hot Mix, Hot Lay, Type D, Picked up at Vendor's Plant	NO BID	\$2,059,750.00	\$2,337,500.00	\$2,337,500.00
High Performance Asphaltic Concrete Pothole Patching Mix, 60 lb.	\$5,643.00	NO BID	NO BID	NO BID

bags, Delivered				
High Performance Asphaltic Concrete Pothole Patching Mix, 60 lb. bags, Picked up at Vendor's Plant	\$122.40	NO BID	NO BID	NO BID

Due to inflation and supply chain concerns, staff recommends the total compensation for each annual renewal term be increased by 20% to ensure the City is able to meet demand. The total compensation for the initial term of the contracts shall be an amount up to \$3,674,000.00, \$4,408,800.00 for the first renewal, \$5,290,560.00 for the second renewal, \$6,348,672.00 for the third renewal, and \$7,618,406.00 for the fourth renewal.

Funding is budgeted in the Water and Wastewater Departments within the Water and Sewer Fund.

DVIN-BE: A waiver of the goal for Business Equity subcontracting requirement is approved by the DVIN-BE, in accordance with the Business Equity Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

AGREEMENT TERMS: Upon City Council approval, this agreement shall begin upon execution and expire on September 30, 2023.

RENEWAL TERMS: This agreement may be renewed for four additional, one-year terms. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as appropriated, in the Water and Sewer Fund. Prior to an expenditure being made, the Water Department has the responsibility to validate the availability of funds.

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Expedited