



CITY COUNCIL COMMUNICATION

February 26, 2013

SUBJECT: Consider Renewal of Bid No. 007-12 for Type-B and Type-D Hot Mix Asphalt

SUBMITTED BY: Ron Young, Director of Public Works

REFERENCE NO: Bid No. 007-12

ACTION REQUESTED:

Consider awarding an annual contract for the purchase of Type-B and Type-D Hot Mix Asphalt to Reynolds Asphalt and Construction Co. Euless, TX 76039 as the primary supplier and to JLB Contracting LLC as the secondary supplier.

ALTERNATIVES:

- Table the request
- Deny the request

SUMMARY OF SUBJECT:

The Purchasing Department requested competitive sealed bids for the purchase of Type-B and Type-D Hot Mix Asphalt in February 2012 (007-12). At that time, JLB Contracting was awarded the primary contract and Reynolds Asphalt was selected for the secondary supplier. The primary and secondary vendors submitted requests to increase pricing. Reynolds requested a price increase for one product only which now makes them the lowest cost supplier.

The contract established fixed prices for materials only for one (1) year with options for two (2) additional one (1) year contracts. This is the first renewal. The quantities and/or total dollar amounts are based on estimates. The actual quantities ordered and used will determine the funds expended. Various expenditure accounts will be utilized in the execution of this contract.

It is recommended that a contract be awarded to Reynolds Asphalt as the primary supplier and JLB Contracting, LLC as the secondary supplier not to exceed budgeted amounts.

FINANCIAL CONSIDERATIONS:

Revenue Sources:

Expenditure Accounts:	101-8033-531.45-07	101-8033-531.73-20
	305-8006-531.73-20	PS1302
	240-9060-590.74-99	PW1301

Budgeted Fiscal Year(s): FY 2013

Estimated Expenditure: \$ 700,000

Total Expenditure: \$ 700,000

Over/Under Projection By: \$ 0

Other Comments:

SUPPORTING DOCUMENTS:

- Renewal Letter: Reynolds Asphalt and Construction
- Renewal Letter: JLB Contracting, LLC

APPROVED BY:

_____ **LG** _____ City Manager's Office

_____ **KS** _____ City Secretary's Office