



MEMORANDUM

TO: Mayor and City Councilmembers
Steve Parker, City Manager

FROM: Twila Wood, Purchasing Manager

DATE: January 12, 2022

RE: Road Materials Annual Contract Renewal

Bids were solicited for a contract to supply road materials to various City departments including Water Utilities, Electric Utilities, and Public Works in February 2020. Because these materials and their application are often time sensitive, staff recommended awarding contracts to both a primary and a secondary provider for each item. The contracts allow for two (2) one-year extensions and the contracts were renewed in 2021. Terms of the contracts provide that upon renewal, the City will increase prices by the greater of 3% or the percentage increase in the U.S. Dept. of Labor Bureau of Labor Statistics' Consumer Price Index (CPI). The current CPI calculation results in an increase of 5.84%, therefore prices should be increased by that percentage as indicated:

	Primary Supplier Current Price	5.84% Increased Price
Mfg Sand - Delivered	Green Dream Int'l \$16.75/ton	\$17.73/ton
Mfg Sand - Picked Up	Green Dream Int'l \$11.46/ton	\$12.13/ton
#57 Rock - Delivered	Green Dream Int'l \$20.00/ton	\$21.17/ton
#57 Rock - Picked Up	Vulcan Constr Materials \$13.39/ton	\$14.17/ton
1" Road Base - Delivered	Brauntex Materials \$12.10/ton	\$12.81/ton
1" Road Base - Picked Up	Brauntex Materials \$5.92/ton	\$6.27/ton
Cold Mix Asphalt - Delivered	Vulcan Constr Materials \$70.14/ton	Not renewed
Cold Mix Asphalt - Picked Up	Vulcan Constr Materials \$45.32/ton	Not renewed

	Secondary Supplier Current Price	5.84% Increased Price
Mfg Sand - Delivered	Brauntex Materials \$18.54/ton	\$19.62/ton
Mfg Sand - Picked Up	Brauntex Materials \$12.36/ton	\$13.08/ton
#57 Rock - Delivered	Brauntex Materials \$20.60/ton	\$21.80/ton
#57 Rock - Picked Up	Brauntex Materials \$14.42/ton	\$15.26/ton
1" Road Base – Delivered or Picked Up	None	
Cold Mix Asphalt – Delivered or Picked Up	None	

PURCHASING DEPARTMENT

It's real.

The supplier of Cold Mix Asphalt, Vulcan Construction Materials, no longer makes a product that meets the original specifications, therefore that portion of their contract is not being renewed. Staff will solicit bids for a suitable product in the near future.

Funding for these materials are included in the Operating Budgets for the various departments.

Staff recommends accepting and approving the renewal at the increased rates. If approved, the extended terms will begin February 19, 2022.