



MEMORANDUM

TO: Mayor and City Councilmembers
Steve Parker, City Manager

FROM: Twila Wood, Purchasing Manager

DATE: April 6, 2021

RE: Road Materials Annual Contract

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 provide that upon renewal, the City will increase the contract price 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 less than 1%, therefore the contracts should be increased by 3% as indicated:

	Primary Supplier	3% Increased Price
Mfg Sand - Delivered	Green Dream Int'l \$16.26/ton	\$16.75/ton
Mfg Sand - Picked Up	Green Dream Int'l \$11.13/ton	\$11.46/ton
#57 Rock - Delivered	Green Dream Int'l \$19.42/ton	\$20.00/ton
#57 Rock - Picked Up	Vulcan Constr Materials \$13.00/ton	\$13.39/ton
1" Road Base - Delivered	Brauntex Materials \$11.75/ton	\$12.10/ton
1" Road Base - Picked Up	Brauntex Materials \$5.75/ton	\$5.92/ton
Cold Mix Asphalt - Delivered	Vulcan Constr Materials \$68.10/ton	\$70.14/ton
Cold Mix Asphalt - Picked Up	Vulcan Constr Materials \$44.00/ton	\$45.32/ton

	Secondary Supplier	3% Increased Price
Mfg Sand - Delivered	Brauntex Materials \$18.00/ton	\$18.54/ton
Mfg Sand - Picked Up	Brauntex Materials \$12.00/ton	\$12.36/ton
#57 Rock - Delivered	Brauntex Materials \$20.00/ton	\$20.60/ton
#57 Rock - Picked Up	Brauntex Materials \$14.00/ton	\$14.42/ton
1" Road Base – Delivered or Picked Up	None	
Cold Mix Asphalt – Delivered or Picked Up	None	

Staff recommends accepting and approving the renewal at the increased rates retroactively to February 19, 2021 which is the date the original agreement expired. Funding for these materials are included in the Operating Budgets for the various departments.