PROPOSALS

FOR: REBID REQUIREMENTS CONTRACT FOR READY MIX CONCRETE

Bid File No. 12300757 Bid Opening: 01/10/2023

BIDDERS

TOTAL NET BID AMOUNT

 Builders Concrete Inc. 3664 W. Ashlan Ave. Fresno. CA 93722 \$1,275,442.03

Each bidder has agreed to allow the City ninety (90) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Monday, January 30, 2023, 5:00 P.M.

The current contract pricing is <u>46</u> % above the previous contract pricing. If the overage is greater than 10% or only one bid was received, give explanation:

On February 2, 2017, Council awarded a requirements contract in the amount of \$548,127.16 for one (1) year per year with the option for four (4) one-year extensions. In FY2019 three (3) concrete crews were added, which included the formation of the 7 Week Concrete Repair program. With this addition a change order to the original contract was required to meet the ready mix concrete material needs. A change order to the original contract adding \$325,000 in funding was approved by Council on October 14, 2021.

Including the change order, the new contact represents a 46% increase over the original FY2017 contract. This is due mainly to the per unit price increases over the past 5 years, which are reflected incrementally in the annual increases from the original FY2017 contract. However, the new contract represents only a 4% per unit increase over the most recent contract extension signed in August of 2022. These increases are in line with the pricing trends we are seeing in the industry with not only ready mix concrete, but with all rock & mineral building materials in general.

Historically, staff has had difficulty obtaining bids for the Ready Mix Concrete contract. The two most recent contracts (2013 and 2017) were awarded to sole bidders. Staff worked with Purchasing to elicit feedback from prospective bidders in an effort to increase the number of bids for this cycle. The Notice Inviting Bids was subsequently published in the Business Journal and 647 vendors were notified by Planet Bids. Many of whom have stated in the past that they were not interested in bidding this contract because they were fully committed to other large local construction projects such as High Speed Rail and various residential and commercial developments. In spite of these efforts, the City once again received only a sole bid. However, staff feels the bid was priced aggressively, and because it was submitted by our current vendor, staff is confident the City will continue to be provided with quality product and service.

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<u>BACKGROUND OF PROJECT</u> (To be completed by Evaluating Department/Division. Explain need for project/equipment):

Ready Mix Concrete materials are used by City crews for the maintenance and repair of concrete street infrastructure throughout the City of Fresno. These repairs include general maintenance of sidewalks, curbs, gutters, and ADA curb ramps as well as other as needed Council requested projects. Funding for concrete repair is included in the annual Fiscal Year 2023 Street Maintenance budget, which is funded with State Gas Tax and Measure C.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Title Assistant Director_______ Date 01-19-23________

Approve Dept. Recommendation Approve GSD/Purchasing Recommendation

[__] Disapprove

Disapprove

See Attachment

EVALUATION OF BID PROPOSALS

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GENERAL SERVICES DEPARTMENT

CITY MANAGER

Purchasing Manager

01/23/2023 Date

City Manager or Designee

Date

Seneral Services Director

Date