



COMMISSIONERS COURT OF BRAZORIA COUNTY

ORDER NO. I.9.

4/23/2024

Renew with Price Increase for ITB #20-49 Road Materials - Flexible Base

Approval to renew with price increases, as shown in the attached summary and spreadsheets, for "ITB #20-49 Road Materials - Flexible Base" with the following vendors, for the final year of a five (5) year contract, per the terms and conditions of the current contract which is set to expire May 11, 2024. The price changes include, but not limited to, increases in cost of living, labor and operational expenses, raw materials, transportation and fuel and repairs.

- Vernor Materials & Equipment Company Inc. of Freeport, TX
- Cherry Crushed Concrete (Arosa) of Houston, TX
- SRM Concrete LLC of Baytown, TX

In addition, approval to renew with a price decrease for "ITB #20-49 Road Materials- Flexible Base" to Vulcan Construction Materials of San Antonio, Texas as per attached spreadsheet.

The renewal term shall be May 12, 2024 to May 11, 2025.

Further, expenditures will be funded by departments current approved Fiscal 2024 budget.

20-49 Summary

Approval to renew with price increases for “ITB #20-49 Road Materials – Flexible Base” to the following vendors, as per the attached spreadsheets.

- **Cherry Crushed Concrete (Arcosa Crushed Concrete) of Houston, Texas**

The 13.69% - 22% increases are due to the rise in cost of living, labor costs, raw material, maintenance, and repairs to crushing equipment and increase in pick up charges of raw material. Arcosa’s corporate office decreased our discount to 14%.

- **Vernor Material and Equipment of Clute, Texas**

The 8.33% - 40% increases are due to the increased costs in labor and materials.

- **SRM Concrete of Baytown, Texas**

The 6.21% - 60.14% increases are due to the increased costs in raw material, transportation, and operational expenses.

Further, in Purchasing’s review of the percentage increases submitted by the vendors, it has been determined that the percentages shown on the attached Consumer and Producer Price Indices (CPI & PPI) do not support the percentage increases submitted by the vendors. The indexes only support increases as shown below:

- Cement manufacturing – 4.9%
- Construction sand gravel – 8.2%
- Crushed limestone – 8.1%
- Diesel fuel – 6.2%
- Freight trucking – 5.5%
- Labor manufacturing - .18%
- All items – 3.4%
- Rail transportation freight - .83%
- Transportation wages - .47%

In speaking with Matt Hanks, County Engineer, due to the need for road materials to avoid work stoppage on their various on-going and future road construction projects, it is our recommendation that the Engineering Department and Commissioners’ Court make the determination to approve the price increases to vendors awarded under ITB# 20-49.

In addition, approval to renew with a price decrease for “ITB #20-49 Road Materials – Flexible Base” to Vulcan Construction Materials of San Antonio, Texas as per the attached spreadsheet.