



# Lake Havasu City

Lake Havasu City  
Municipal Courthouse  
Council Chambers  
92 Acoma Boulevard  
Lake Havasu City, Arizona  
86403  
www.lhcaz.gov

## Legislation Details (With Text)

**File #:** ID 17-1342    **Version:** 1    **Name:**  
**Type:** Action Item    **Status:** Agenda Ready  
**File created:** 8/28/2017    **In control:** City Council  
**On agenda:** 9/12/2017    **Final action:**  
**Title:** Award Bid for Concrete Repair (Labor Only) to Kelm Concrete Inc.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. Bid Tab

Date	Ver.	Action By	Action	Result
9/12/2017	1	City Council	Approved	Pass

## COUNCIL COMMUNICATION

**TO:** Honorable Mayor and Council

**FROM:** W. Mark Clark, Maintenance Services Division

**SUBJECT:**  
Award Bid for Concrete Repair (Labor Only) to Kelm Concrete Inc.

**FUNDING SOURCE:**  
HURF Fund

**PURPOSE:**  
Award bid for Concrete Repair Misc. on an as-needed basis in accordance with City Code Section 3.10.030.1.5. (Bid No. B18-001-2709)

**BACKGROUND:**  
Lake Havasu City has contracted out concrete repairs (Labor Only) on an as-needed and spot location basis for the past several years utilizing the informal competitive quote process. Lake Havasu City purchases the materials directly and supplies them for these concrete repairs. Nine (9) local, area concrete contractors were notified of this invitation to bid. Two (2) responses were received, Kelm Concrete Inc. and Taz Concrete Inc.

Previously, the aggregate spent for this work typically averaged between \$40,000 and \$75,000 each year depending on the location of leaks and repairs (sidewalks, driveways, etc.) and was primarily expended between these two responsive low bidders. The aggregate of awarded work has not exceeded the \$50,000 threshold for a single contractor until May 3, 2017, when unplanned expenditures exceeding \$50,000 was awarded to Kelm Concrete Inc., which was approved by the City Council at the May 23, 2017 Council meeting.

Lake Havasu City purchases materials directly for these concrete repairs.

**COMMUNITY IMPACT:**

By outsourcing, the City maximizes the efficiency and effectiveness of the community's resources allocated to roadway maintenance. It allows the City to maintain a smaller, more flexible workforce while concentrating on core functions not able to be cost effectively bid out.

**FISCAL IMPACT:**

Sufficient funds are available in the FY 17-18 Street Repair Contractual Services Account Number 221.5110.403.43.06 to perform the work. The estimated annual expenditure is \$75,000.00.

**ATTACHMENTS:**

Bid Tab

**SUGGESTED MOTION:**

I move to award the bid for Concrete Repair - Labor Only Misc. on an as needed basis to Kelm Concrete Inc. for one (1) year at the bid unit prices, for an estimated annual expenditure of \$75,000, and authorize City staff to exercise the option to renew for a maximum of three additional twelve-month terms.