



BIGGS & MATHEWS INC.
Consulting Engineers

May 18, 2017

Honorable Judge Rick Lewis
Montague County
P.O. Box 475
Montague, Texas 76251

RE: Type CRS-2 Asphalt Emulsion (Materials Only) (TDA Project No. 7215341)
Street Reconstruction (Materials Only) - Phase 2

Dear Judge Lewis:

As you are aware, on Wednesday, May 16, 2017 bids were received for the above referenced materials and project.

Only one bid was received and that bid was submitted by Ergon Asphalt & Emulsions, Inc. in the amount of \$51,554.25 to purchase and deliver 27,500 gallons of Type CRS-2 Asphalt Emulsion. Unfortunately, there is only \$45,324.97 remaining in Grant Funds to pay for Phase 2 engineering fees and purchase of additional asphalt emulsion.

Therefore, following my review and evaluation of the bid, it is my recommendation that the bid be awarded to Ergon Asphalt & Emulsions for 21,917 gallons (Not the 27,500 Gallons) of emulsion at the bid price of \$1.8747 per gallon for a total award of \$41,087.80 and that the remaining \$4,237.17 be paid to Biggs & Mathews, Inc. to cover additional engineering fees for the Phase 2 project.

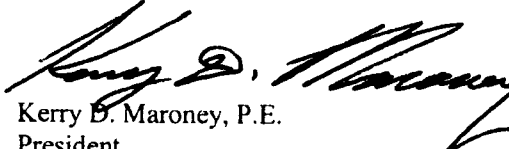
The combined materials purchase and the engineering fees would total to the remaining \$45,324.97 in grant funds.

The above \$41,087.80 award to Ergon for 21,917 gallons of CRS-2 Emulsion at the bid price of \$1.8747 shall be contingent on an approved executed Change Order reducing the total Ergon bid by \$10,466.45.

Please contact us if you have any questions regarding this recommendation.

Sincerely,

BIGGS & MATHEWS, INC.


Kerry D. Maroney, P.E.
President

ITEM NO.	QUANTITY AND UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1.	27,500 Gallons	Furnish and Supply Type CRS-2 Asphalt Emulsion per gallon for <u>ONE</u> Dollars and <u>SEVENTY-FIVE</u> Cents.	\$1.75	\$48,125.00

Total Amount of Bid \$48,125.00 MATERIAL ONLY

ONE DOLLAR AND POINT EIGHT SEVEN FOUR SEVEN CENTS \$1.8747 \$51,554.25 DELIVERED

Amounts are to be shown in both words and figures. In case of discrepancy, the amount shown in words will govern.

The above unit prices shall be all inclusive of labor, equipment, materials, loading, bailing, shoring, removal, overhead, profit, insurance, all other costs etc., to cover the finished work of the several kinds called for.

The undersigned agrees to complete all work covered by these contract documents for these unit prices within Ninety (90) consecutive calendar days after the date of commencing work as set forth in the written work order. The Contractor further agrees to pay as liquidated damages the sum of \$100.00 for each consecutive working day thereafter that the work is not completed.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 120 days after the scheduled closing time for receiving bids.

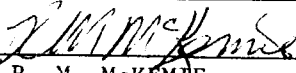
Upon receipt of written notice of the acceptance of this bid, Bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by the GENERAL CONDITIONS. The bid security attached in the sum of Five (5%) percent of amount bid (\$) is to become the property of the Owner in the event the contract and bond are not executed within the time above set forth, as liquidated damages for the delay and additional expense to the Owner caused thereby.

THIS BID IS FOR FULL TRANSPORT LOADS OF 5,500 GALLONS. FREIGHT IS BASED ON A FULL TRANSPORT LOAD, EVEN IF A FULL LOAD OF MATERIAL IS NOT ORDERED. THE COMMON CARRIER BILLS DEMURRAGE AT \$30.00 PER HOUR, AFTER THE SECOND HOUR. RETURN FREIGHT IS ONE-HALF OF THE OUTGOING TARIFF. PUMP AND HOSE CHARGE IS \$90.00 PER LOAD.

Respectfully submitted,

ERGON ASPHALT & EMULSIONS, INC.

By



R. M. McKEMPE

VICE PRESIDENT

Address 11612 RM 2244, BUILDING 1, SUITE 250

AUSTIN, TEXAS 78738

Telephone No. (512) 469-9292

Fax No. (512) 469-0391

Date MAY 12, 2017

SEAL (if Corporation)

Street Construction Phase 2 - Ergon Asphalt & Emulsions, Inc.-Change Order No.1

From: Kerry D. Maroney

Sent: Fri, May 19, 2017 at 7:20 am

To: v.stout@co.montague.tx.us, Deborah Milbern

Cc: Mark Murphey (Murphey3@gmail.com)

sharp_copier_bmiwf_com_20170519_094246.pdf (149.8 KB)

This Change Order No. 1 (Attached) in the amount of \$10,466.45 will be executed after the award to Ergon Asphalt & Emulsions, Inc. so as to reduce the contract amount within the available remaining TDA funds to pay for the CRS-2 Asphalt Emulsion and pay for the engineering fees for Phase 2 of the project.

Remaining Funds: \$45,324.97

Ergon Contract With Change Order: \$41,087.80

Biggs & Mathews, Inc. Fee: \$ 4,237.17

Call with questions or comments.

Kerry D. Maroney, P.E.

Texas Department of Agriculture Construction Contract Change Order

A505

Owner: Montague County P.O. Box 475 Montague, Texas 76251	Contract For : Street Reconstr. Materials Phase 2 CRS-2 Asphalt Emulsion Project Location: Montague County	Region: Nortex TxCDBG Contract No.7215341 Change Order No. 1
Contractor: (Name & Address) Ergon Asphalt & Emulsions, Inc. 11612 Rm. 2244 Bee Cave Rd. Bldg. 1, Suite 250 Austin, Texas 78738	Engineer: Biggs & Mathews, Inc. 2500 Brook Ave. Wichita Falls, Texas 76301	

Grant Recipient is requesting TDA review to determine eligibility of change order expenses.

Changes to Existing Line Items (Items from original bid or added in previous change order only)

Bid Item#	Item Description	Current Quantity	Unit	Unit Price	Change in Quantity (+/-)	Change in Contract Price
1	CRS-2 Asphalt Emulsion	27,500	Gals.	1.8747	-5,583	-\$10,466.45

New Items Requested (Items without a unit price in the original bid)
 Provide Explanation (attach separate documentation if necessary):

Bid Item#	Item Description	Unit	Unit Price	Change in Quantity (+/-)	Change in Contract Price

<u>Change in Contract Price</u>		<u>Change in Contract Time</u>	
Original Contract Price:	\$ 51,554.25	Original Contract Time:	0 days
Previous Change Order(s) No to No.	\$ 0	Net Change From Previous Change Orders	0 days
Contract Price Prior to this Change Order	\$ 51,554.25	Contract Time Prior to this Change Order	90 days
Net Increase/Decrease of this Change Order	\$ -10,466.45	Net Increase/Decrease of this Change Order	0 days
Contract Price With all Approved Change Orders	\$ 41,087.80	Contract Time With all Approved Change	90 days
Cumulative % Change in Contract Price*: 20.3%			

Notice:* Generally, a cumulative change in the contract price in excess of 25% will not be approved. If the change order causes an increase/decrease greater than \$50K, the governing body of the Grant Recipient must approve the change order.

** Reimbursement of costs submitted in this change order are subject to approval by the Department.

JUSTIFICATION FOR CHANGE

	Increase	Decrease	No Change
1. Effect of this change on scope of work:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Effect on operation and maintenance costs:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
3. Will this Change Order change the number of beneficiaries or TxCDBG contract Performance Statement Exhibit A? If "Yes", please attach TxCDBG contract Performance Statement modification request.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction? If "Yes", is an Environmental Re-assessment required?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	-
5. Is the TCEQ clearance still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are other TxCDBG contractual special condition clearance still valid? (If no, specify):	<input checked="" type="checkbox"/>	<input type="checkbox"/>	-
7. If new items are included that were not included in the competitive bid, have the prices been determined to be reasonable?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

GRANT RECIPIENT APPROVAL - Required Signature before TDA approval
 (Note: If this change order is greater than \$50K, signature by the Grant Recipient represents evidence that such approval from the governing body has been obtained by the City/County)
 Signature: _____ Title: _____ Date: _____

ENGINEER'S RECOMMENDATION:
 By: _____
 (Authorized Signature)
 Date: _____

CONTRACTOR'S AUTHORIZATION:
 By: _____
 (Authorized Contractor Signature) Date
OR
I hereby acknowledge that the original price of this contract has been decreased by at least 18 percent or more (counties)/ more than 25 percent (cities) and I hereby consent to such decrease in the original contract price.
 By: _____
 (Authorized Contractor Signature) Date

To receive an email copy of the TDA response, provide information below:

	Name	Email address
Grant Recipient	Montague County	v.stout@co.montague.tx.us
Admin Consultant	Deborah Milbern	dmilbern@nortexrpc.org
Engineering Consultant	Kerry D. Maroney	kdm@bmiwf.com

For office use only:		Eligible Change Order	
Net Increase/Decrease of this Change Order Requested	\$ _____	Net Increase/Decrease of this Change Order Requested	_____ days
Net Increase/Decrease of this Change Order Approved	\$ _____	Net Increase/Decrease of this Change Order Approved	_____ days
Contract Price With all Approved Change Orders	\$ _____	Contract Time With all Approved Change Orders	_____ days
Notes:			

Regional Coordinator	_____	Date	_____
Manager	_____	Date	_____