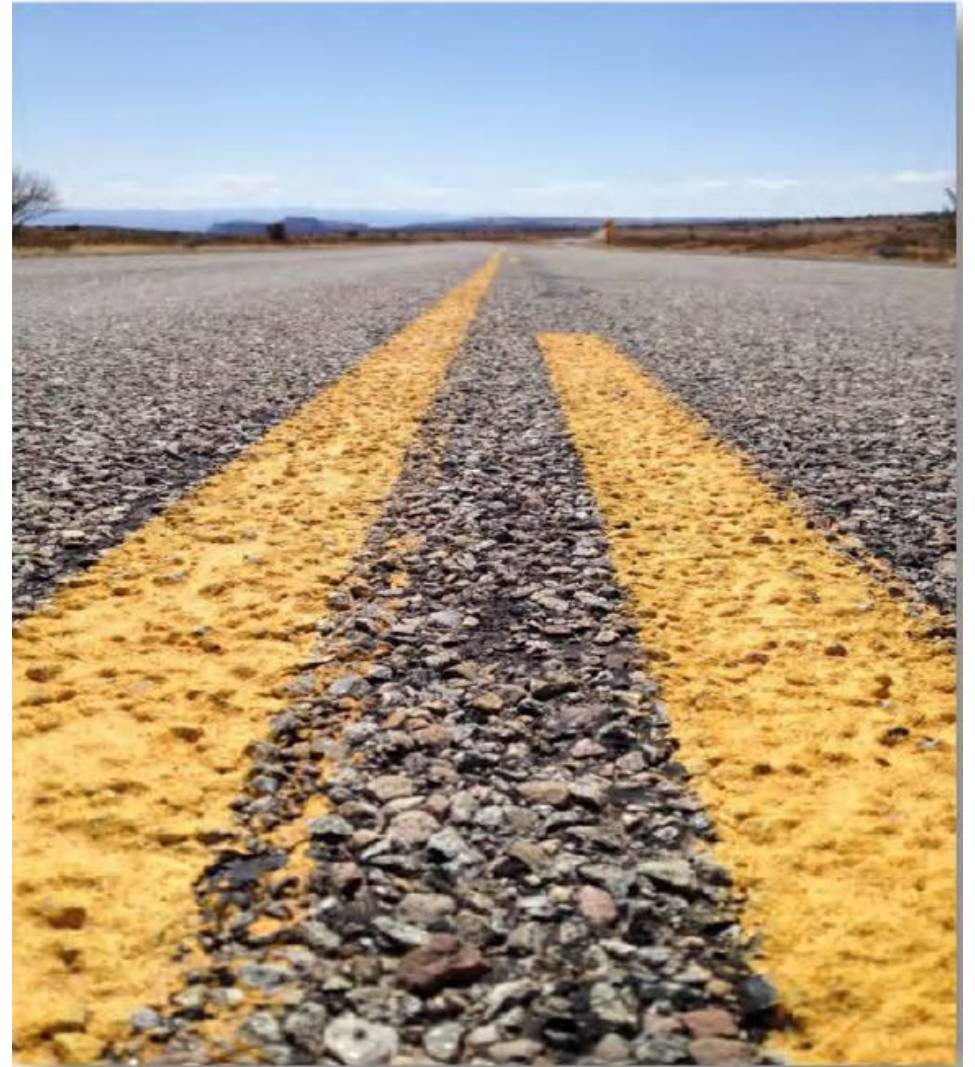


The Lea County Road Department performs chip seal surfacing on both caliche and existing paved roadways for maintenance and road improvements. The process involves the installation of emulsion oil and the application of aggregate (gravel).

In, 2020, Lea County opened competitive bids for aggregate and the contract was awarded to Constructors and J & H Services. This contract allows for an extension of the contract for additional year agreed upon both parties.

Lea County recommends extending the existing contract with Constructors, INC. of Carlsbad through it's 2022-2023 2nd Option to Renew of the 2020 bid and contract for Region 1 and J & H Services, INC. of Albuquerque for Region 2 & 3.

Prices will be adjusted for increases in petroleum related components.





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, April 28, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Community Engagement Manager [sstout@leacounty.net](mailto:ss Stout@leacounty.net) by: **Wednesday, April 20, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 04/20/2022	SUBMITTED BY Name, Title, Dept: Corey Needham, ACM
SUBJECT: Bid #07 (19-20) Aggregate Surface Treatment- Constructors/ J & H 2022-2023 2nd OPTION TO RENEW	ATTACHMENT(S): Original Bid, Renewal Form
NO. OF ORIGINALS FOR SIGNATURE: 4	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: 402-10-2051	FISCAL BUDGET YEAR: FY 21/22, FY 22/23

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:
1. % of chip sealed county roads vs. caliche roads (goal: each year chip seal more roads)

SUMMARY:
Lea County utilizes aggregate for the annual road maintenance completed by county staff each year.

Lea County staff wishes to extend it's existing contract with Constructors, Inc. of Carlsbad through it's 2022-2023 2nd Option to Renew of the 2020 bid and contract for Region 1.

1. Lea County staff wishes to extend it's existing contract with J & H Services, INC. of Albuquerque through it's 2022-2023 2nd Option to Renew of the 2020 bid and contract for Region 2 & 3.

Both contracts will include a justified increase in pricing due to petroleum related increases since the bid of the initial contract.

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
--	---

SUBMITTER'S RECOMMENDATION(S): Staff recommends that LCBC accept the renewal of the Constructors, INC. contract	Submitter's Signature Department Director, Etc.
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FINANCE REVIEW Fiscal Impact/Cost: The financial impact to Lea County will be expenditures from the Road Fund dependent upon pricing and amount purchased. Funds are budgeted and available in 402-10-4251	Reviewed by Finance Director Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.04.20 14:44:52 -06'00'</small>
--	--

LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
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COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
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Item No. <u>0203</u> RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-APR-097R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-APR-097R

A RESOLUTION APPROVING THE 2022 - 2023 2ND OPTION TO RENEW AGREEMENT AGGREGATE FOR SURFACE TREATMENT TO CONSTRUCTORS, INC AND TO J&H SERVICES (REGION 2 & 3)

WHEREAS, Lea County roads play an important role within the Lea County transportation system for economic development, connectivity, and emergency services; *and*

WHEREAS, aggregate is used in the preventative maintenance, construction, and repair of roadways through the chip seal process; *and*

WHEREAS, Lea County utilizes a third party to supply the aggregate; *and*

WHEREAS, on March 11, 2020, Lea County opened competitive bids. Constructors, Inc submitted the low bid in Region 1 and J & H Services, Inc submitted the low bid in Region 2 & 3; *and*

WHEREAS, Lea County wishes to excise the 2022-2023 2nd option to renew of the contract

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that the 2022 - 2023 2nd Option to Renew Aggregate for Surface Treatment be awarded to Constructors, Inc for Region 1 and J&H Services, Inc for Region 2 & 3 is hereby approved.

BE IT FURTHER RESOLVED that the Commission Chair and/or County Manager may finalize and sign any agreements consistent with the terms of this resolution.

PASSED AND APPROVED on this 28th day of April, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

2022 - 2023 -- 2nd OPTION TO RENEW

AGGREGATE FOR SURFACE TREATMENT AGREEMENT

THIS AGREEMENT is made between the **LEA COUNTY BOARD OF COMMISSIONERS**, acting by and through its Chairman and located in the County of Lea, State of New Mexico, (hereinafter referred to as "**COUNTY**") and **CONSTRUCTORS, INC.**, located at 3003 S. Boyd Drive, Carlsbad, New Mexico, 88220 (hereinafter referred to as **CONSTRUCTORS**).

WHEREAS, the **COUNTY** has engaged **CONSTRUCTORS** to provide aggregate for surface treatment to the **COUNTY**;

NOW THEREFORE, the **COUNTY** hereby exercises their right to renew Bid #07 - (19-20) contract for a twelve-month term beginning on April 2, 2022 and ending April 1, 2023, upon the same terms and conditions contained in the original contract, **EXCEPT** Per increases due to petroleum-related elements of the contract.

IN WITNESS WHEREOF, we have hereunto affixed our hands and seals this 28th day of April, 2022.

LEA COUNTY BOARD OF COUNTY
COMMISSIONERS
LEA COUNTY, NEW MEXICO

CONSTRUCTORS, INC.

By: _____
Chair Dean Jackson

By: _____

ATTEST: Keith Manes
Lea County Clerk

Approved as to Legal Sufficiency:

By: _____
Teri Davis, Deputy

Lea County Attorney John W. Caldwell

2022 - 2023 -- 2nd OPTION TO RENEW

AGGREGATE FOR SURFACE TREATMENT AGREEMENT

THIS AGREEMENT is made between the **LEA COUNTY BOARD OF COMMISSIONERS**, acting by and through its Chairman and located in the County of Lea, State of New Mexico, (hereinafter referred to as "**COUNTY**") and **J & H SERVICES, INC.**, located at 6616 Gulton Ct. NE, Suite 90 Albuquerque, NM 87109 (hereinafter referred to as **CONSTRUCTORS**).

WHEREAS, the **COUNTY** has engaged **J & H Services** to provide aggregate for surface treatment to the **COUNTY**;

NOW THEREFORE, the **COUNTY** hereby exercises their right to renew Bid #07 - (19-20) contract for a twelve-month term beginning on April 2, 2022 and ending April 1, 2023, upon the same terms and conditions contained in the original contract EXCEPT Per increases due to petroleum-related elements of the contract.

IN WITNESS WHEREOF, we have hereunto affixed our hands and seals this 28th day of April, 2022

LEA COUNTY BOARD OF COUNTY
COMMISSIONERS
LEA COUNTY, NEW MEXICO

J & H Services, INC.

By: _____
Chair Dean Jackson

By: _____

ATTEST: Keith Manes
Lea County Clerk

Approved as to Legal Sufficiency:

By: _____
Teri Davis, Deputy

Lea County Attorney John W. Caldwell



CONSTRUCTORS, INC.

Dirt, Asphalt, Concrete and Utility Construction
Aggregate and Asphalt Products

3/24/22

Corey Needham, Assistant County Manager
Lea County
5915 N. Lovington Hwy
Hobbs, NM 88240

Re: Price Increase Due to Fuel Costs

Corey,

Constructors is requesting an increase for the 2nd OTR from \$34.47/ton (includes the 3% escalation) to \$37.83/ton due the rise in fuel costs. I have attached documentation that the fuel cost in 2020, at time of original bid, was \$2.55 and as of 3/21/22 is \$5.13 per gallon. The assumptions made in calculation the \$3.36 increase to the per ton price are as follows:

- Haul trucks 5 MPG
- Round trip 150 Miles
- Tons per load 23 tons
- Average speed 55 MPH

The increase requested is purely cost with no mark up.

We appreciate your consideration to this request, if you have any questions please call me at (575) 706-7309.

Thank you,

Rachelle Thompson
Vice President



PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

Weekly Retail Gasoline and Diesel Prices

(Dollars per Gallon, Including Taxes)

Area: U.S. Period: Weekly

Show Data By: <input checked="" type="radio"/> Product <input type="radio"/> Area	USMP Disp	02/14/22	02/21/22	02/28/22	03/07/22	03/14/22	03/21/22	View History
Gasoline - All Grades	<input type="checkbox"/>	3.581	3.624	3.701	4.196	4.414	4.343	1993-2022
All Grades - Conventional Areas	<input type="checkbox"/>	3.441	3.480	3.554	4.031	4.252	4.165	1994-2022
All Grades - Reformulated Areas	<input type="checkbox"/>	3.859	3.911	3.994	4.527	4.737	4.697	1994-2022
Regular	<input type="checkbox"/>	3.487	3.530	3.608	4.102	4.315	4.239	1990-2022
Conventional Areas	<input type="checkbox"/>	3.372	3.410	3.486	3.963	4.180	4.091	1990-2022
Reformulated Areas	<input type="checkbox"/>	3.738	3.790	3.874	4.407	4.610	4.562	1994-2022
Midgrade	<input type="checkbox"/>	3.908	3.954	4.025	4.524	4.765	4.719	1994-2022
Conventional Areas	<input type="checkbox"/>	3.710	3.752	3.814	4.292	4.538	4.462	1994-2022
Reformulated Areas	<input type="checkbox"/>	4.204	4.256	4.341	4.872	5.106	5.107	1994-2022
Premium	<input type="checkbox"/>	4.180	4.221	4.296	4.798	5.038	4.992	1994-2022
Conventional Areas	<input type="checkbox"/>	4.009	4.045	4.114	4.592	4.833	4.759	1994-2022
Reformulated Areas	<input type="checkbox"/>	4.384	4.430	4.513	5.044	5.284	5.269	1994-2022
Diesel (On-Highway) - All Types	<input type="checkbox"/>	4.019	4.055	4.104	4.849	5.250	5.134	1994-2022
Ultra Low Sulfur (15 ppm and Under)	<input type="checkbox"/>	4.019	4.055	4.104	4.849	5.250	5.134	2007-2022
Low Sulfur (Above 15 ppm to 500 ppm)	<input type="checkbox"/>							2007-2008

Click on the source key icon to learn how to download series into Excel, or to embed a chart or map on your website.

- = No Data Reported; -- = Not Applicable; NA = Not Available; W = Withheld to avoid disclosure of individual company data.

Notes: Conventional area is any area that does not require the sale of reformulated gasoline. All types of finished motor gasoline may be sold in this area. RFG area is an ozone nonattainment area designated by the Environmental Protection Agency which requires the use of reformulated gasoline. Publication of Low Sulfur On-Highway Diesel (LSD) prices at the U.S. level was discontinued on December 8, 2008 due to a diminishing number of stations selling LSD as a result of EPA diesel fuel regulations. EIA continued to collect LSD prices from retail outlets and included them in the Diesel Average All Types price until July 26, 2010, when no more outlets reported LSD sales. Beginning July 26, 2010 publication of Ultra Low Sulfur Diesel (ULSD) price became fully represented by the Diesel Average All Types price. As of December 1, 2010 (September 1, 2006 in California), any on-highway diesel fuel sold is ULSD as mandated by EPA on-highway diesel fuel regulations. EIA did not collect weekly retail motor gasoline data between December 10, 1990 and January 14, 1991. Monthly and annual averages are simple averages of the weekly data contained therein. For months and years with incomplete weekly data series, the monthly and/or annual averages are not available. See Definitions, Sources, and Notes link above for more information on this table.

Release Date: 3/21/2022
Next Release Date: 3/28/2022