



**Request for City Council Committee Action
From the Department of Public Works and Procurement**

Date: April 2nd, 2013
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Betsy Hodges, Chair Ways & Means Committee
Subject: **Approval of Official Publication No. 7757 Bids for Ready Mix Concrete Equipment**

Recommendation:

Acceptance of the single bid of Cemstone Products Company for an estimated expenditure of \$58,537.00 to furnish and deliver Ready Mix Concrete Equipment as needed to various City of Minneapolis departments and boards through March 31st, 2014, per the attached pricing schedule.

Prices firm through March 31st, 2014

Vendor agrees to increase quantities up to 100% at bid prices for contract period.

Please refer to the enclosed staff memo for additional information.

Delivery per specifications F.O.B.: Destination

Further recommend proper Officers be authorized and directed to execute a contract for this service, all in accordance with our specifications.

This has been approved by the Civil Rights Department.

Prepared by: Gary Warnberg Director, Purchasing

Approved by: Steven A. Kotke, P.E. Director, Public Works

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): Action is within Budget
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

Tabulation of one (1) bid received on Official Publication No. 7757 for Ready Mix Concrete Equipment

Attachments - Staff Memo
Bid Abstract
Tabulation Sheet

cc: S. Malmberg
R. Crossland

MEMORANDUM

CITY OF MINNEAPOLIS, PUBLIC WORKS DEPARTMENT TRANSPORTATION PLANNING & ENGINEERING DIVISION

309 Second Avenue South, Room 300

Minneapolis, MN 55401-2268

Office: (612)-673-3365 Cell: (612) 919-2991 Fax: (612)-673-2048

stephanie.malmberg@ci.minneapolis.mn.us

TO: David Schlueter **DATE:** 2-27-13
Procurement Division

FROM: Stephanie Malmberg **SUBJECT:** Single Bid Response on OP 7757
Engineering Laboratory

David

I am responding to the sole bid received by Cemstone Products Company for Ready Mix equipment. The Engineering Lab contacted the other two Vendors that have historically bid on this equipment to determine why they did not place a bid this year. Their response to our inquiry was that they were unaware of the call for bids.

For 2013, it was determined that the City should bid Ready Mix Concrete (the actual material) in one bid and the Concrete Placement Equipment in another separate bid. This is different from previous years, where the two items were bid together into one package. The decision to do this separation was mutually agreed upon by Procurement and myself to encourage more competitive bidding. In addition to the normal advertising that the Procurement Division typically employees, they also mailed the Call for Bids to eight (8) of the previous years' Vendors alerting them to this opportunity. The Call for Bids for Ready Mix Equipment was mailed to the 8 Vendors on January 15, 2013, the same date that advertising began.

I have reviewed the unit prices that Cemstone Products Company has submitted for the Ready Mix Equipment bid (OP-7757). I compared these unit prices to historic bids from this company as well as other companies and found that for the most part the individual unit prices fall with in an acceptable range (10%), with the exception of the below listed items that exceeded the average of last year's unit prices by more than 10%

Premium charges for equipment rentals at night or on Saturdays – (Historically rarely utilized)

Rental for a large boom pump truck – (Historically rarely ordered)

Cement Primer – Small quantity (Historically – small quantities - less than 20 CY's)

I checked with the operating Divisions that again have historically utilized the rental Concrete Equipment bid (TM&R and SW &S) to ask if they anticipate a significant utilization of pump rentals on the weekends or nights along with the large boom truck and cement primer. Based on the current anticipated work scheduled for 2013, they actually do not anticipate any need for night or weekend rentals and very small amounts of large boom rental and cement primer, if any.

Based on these inquiries, it is my recommendation that the City move forward in awarding the bid to Cemstone Products Company to furnish ready mix equipment to the City of Minneapolis.

I have attached the average of the three bidders unit prices for 2012 compared to the 2013 bids received from Cemstone Products Company. If you have any questions or concerns please feel free to contact me.

"BIDS FOR READY MIX CONCRETE EQUIPMENT" - PAW - Paving

	Official Publication 7757 Bids opened 10 AM, Local Time, February 6 th , 2013 Minneapolis MN			1. Cemstone Products Company															
	Total Amount	\$		58,537.50															
	Bidder offers to extend terms add'l years after 3-31-14			0															
	Vendor agrees to increase qtys up to 100%	Y/N		yes															

We, the undersigned, hereby certify that the above bids were publicly opened and read aloud:

Handwritten Signature
FOR THE: FINANCE OFFICER

Handwritten Signature
ASST/ DIRECTOR, PURCHASING

**READY MIX EQUIPMENT
ABSTRACT**

Purchasing Department
330 Second Avenue South - Suite 552
Minneapolis, MN 55401

All quantities are estimated. Do Not Include Sales Tax in your bid prices.

BID "ALL OR NONE" ON THIS BID FORM.

Proposal Line	Bid Item	Design Strength (PSI)	PREMIUM		PER HOUR		Cemstone Products		
			Estimated Quantity	Unit	Estimated Quantity	Unit	Unit Price Premium	Unit Price per Hour	Total Cost
1	LINE PUMP LOW VOLUME (<20yds per hour)	Grout pump	450	CY	100	HOUR	\$ 3.25	\$ 135.00	\$14,962.50
2	LINE PUMP LOW VOLUME (<20yds per hour)	Overnight & Saturday Premium Charge				HOUR		\$ 165.00	
3	LINE PUMP HIGH VOLUME (>20yds per hour)	Grout pump for larger rehab projects	450	CY	40	HOUR	\$ 3.25	\$ 135.00	\$ 6,862.50
4	LINE PUMP HIGH VOLUME (>20yds per hour)	Overnight & Saturday Premium Charge				HOUR		\$ 165.00	
5	SMALL BOOM PUMP (20-29 meters)	Concrete pump-small	250	CY	60	HOUR	\$ 3.25	\$ 165.00	\$10,712.50
6	MEDIUM BOOM PUMP (30-39 meters)	Concrete pump-medium	150	CY	35	HOUR	\$ 3.25	\$ 165.00	\$ 6,262.50
7	LARGE BOOM PUMP (40-49 meters)	Concrete pump-large	50	CY	25	HOUR	\$ 3.75	\$ 210.00	\$ 5,437.50
8	CONVEYOR TRUCK (less than 50 feet)	Cost for conveyor truck	50	CY	8	HOUR	\$ 1.00	\$ 150.00	\$ 1,250.00
9	PUMP PRIMER	PUMP PRIMER	100	CY			\$ 120.00		\$12,000.00
10	PRIMER CEMENT OR EQUAL	For pump	50	BAG			\$ 20.00		\$ 1,000.00
11	WINTER SERVICE CHARGE (NOV 15 - APRIL 15)	Winter Service Charge	50	POUR			\$ 1.00		\$ 50.00
									\$58,537.50

	Cemstone Products *
TOTAL AMOUNT (ITEMS 1, 3, 5-11)	\$ 58,537.50

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Unit

32a	Charge for excess unloading time, in excess of 15 minutes	HOUR	\$ 0.00
32b	Overtime Charge	HOUR	\$240.00
32c	Saturday delivery (seasonal availability)	CY	\$ 9.00
32d	Cost for Sunday delivery	CY	\$ 25.00
32e	Cost for Holiday delivery	CY	\$ 20.00
32f	Cost for emergency delivery (24 hours)	CY	\$ 20.00