



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

**Date:** April 4, 2006  
**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee  
**Referral to:** Honorable Paul Ostrow, Chair Ways & Means Committee  
**Subject:** **Approval of Official Publication No. 6574 - Bids for Bituminous Mixtures**

**Recommendation:**

Acceptance of the low bids as indicated below to furnish and deliver bituminous mixtures, as follows:

All quantities are estimates.

Midwest Asphalt Corporation for an estimated annual expenditure of \$ 1,131,846.00

Delivery Charge for Hot Mix (Items 2-7) North Zone	per ton	\$ 6.20
Delivery Charge for Hot Mix (Items 2-6) South Zone	per ton	6.20

2.	3,600 tons	SPWEB540L	per ton	\$ 40.25
3.	3,600 tons	SPNWB530L	per ton	38.50
4.	11,000 tons	SPNWB430L	per ton	34.20
5.	7,000 tons	SPWEB440L	per ton	37.00
6.	800 tons	SPWEA440L	per ton	41.20
7.	700 tons	MVWE350	per ton	49.00

Additional Surcharges:

a.	Keeping plant open after normal business hours	\$ 1,000.00
b.	Opening plant on Saturday, if not regularly open	500.00
c.	Opening plant on Sunday	N/A
d.	Opening plant on Holiday	N/A
e.	Opening plant after Thanksgiving Day	5,000.00
f.	Opening plant on short notice for an emergency	5,000.00
g.	Any trucking charge for Saturday, Sunday or Holiday deliveries (per ton)	6.20

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

Terms are 2% cash discount for payment of invoices within 20 days. F.O.B.: Destination.

Commercial Asphalt Company - for an estimated annual expenditure of \$ 977,202.00

Items 1 through 6 - City Pick Up

Maple Grove - North Zone

1.	2,500 tons	SPWEA540L	per ton	\$ 35.25
2.	1,700 tons	SPWEB540L	per ton	33.50
3.	1,600 tons	SPNWB540L	per ton	31.70
4.	4,500 tons	SPNWB430L	per ton	32.80
5.	500 tons	SPWEB440L	per ton	34.50
6.	100 tons	SPWEA440L	per ton	35.10

Commercial Asphalt Company - continued:

Burnsville - South Zone

1.	2,500 tons	SPWEA540L	per ton	36.10
2.	1,900 tons	SPWEB540L	per ton	34.35
3.	2,000 tons	SPNWB530L	per ton	30.15
4.	6,500 tons	SPNWB430L	per ton	31.95
5.	6,500 tons	SPWEB440L	per ton	35.20
6.	100 tons	SPWEA440L	per ton	36.20

Additional Surcharges:

a.	Keeping plant open after normal business hours - after 2 hours	\$ 100.00
b.	Opening plant on Saturday, if not normally open (minimum 1000 tons)	1,000.00
c.	Opening plant on Sunday	2,000.00
d.	Operating plant on a Holiday	2,000.00
e.	Opening plant on day after Thanksgiving (minimum of 1000 tons) dependent on satisfactory weather conditions	1,000.00
f.	Opening plant on short notice for emergencies - No Charge for up to 5 events during season \$500.00 per event thereafter	
g.	Any trucking surcharge for Saturday, Sunday or Holiday deliveries	N/A

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

Terms are 4% cash discount for payment of invoices within 20 days. F.O.B.: Destination.

Bituminous Roadways, Inc. - for an estimated annual expenditure of \$ 457,500.00

Item 1 - Delivery North and South Zone

1.	10,000 tons	SPWEA540L	per ton	\$ 43.25
		Delivery charge	per ton	2.50

Additional Surcharges:

a.	Keeping plant open after normal business hours	\$ 5.00 per ton
b.	Opening plant on Saturday, if not normally open	5.00 per ton
c.	Opening plant on Sunday	10.00 per ton
d.	Opening plant on a Holiday	15.00 per ton
e.	Opening plant the day after Thanksgiving	10.00 per ton
f.	Opening plant on short notice for emergency	10.00 per ton
g.	Any trucking surcharge for Saturday, Sunday or Holiday deliveries	5.00 per ton

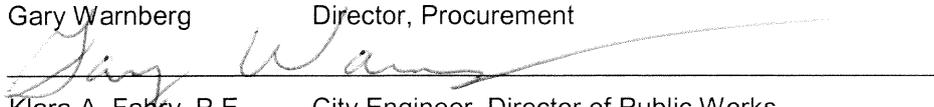
Vendor agrees to increase quantities up to 100% at bid prices for contract period.

Terms are net 20 days. F.O.B.: Destination.

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

Contingent on approval of the Civil Rights Department.

Prepared by: Gary Warnberg Director, Procurement

Approved by:   
Klara A. Fabry, P.E. City Engineer, Director of Public Works

Presenters: Paul Ogren Director of Field Services

Permanent Review Committee (PRC)                      Approved \_\_\_\_\_      Not Applicable   XXX    
Policy Review Group (PRG)                                Approved \_\_\_\_\_      Not Applicable   XXX  

<p><b>Financial Impact</b> (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Business Plan: <u>  X  </u> Action is within the plan      <input type="checkbox"/> Action requires a change to plan</p> <p><input type="checkbox"/> Request provided to department's Finance Department contact when provided to the Committee Coordinator</p> <p><b>Community Impact</b></p> <p>Neighborhood Notification:      Not Applicable</p> <p>City Goals:    Maintain the physical infrastructure to ensure a healthy, vital and safe city</p> <p>Comprehensive Plan:              Not Applicable</p> <p>Zoning Code:                        Not Applicable</p>
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**Background/Supporting Information:**  
Tabulation of threes (3) bids received on Official Publication No. 6574 for Bituminous Mixtures is attached.

Attachments - Staff Recommendation  
                    Tabulation Sheet

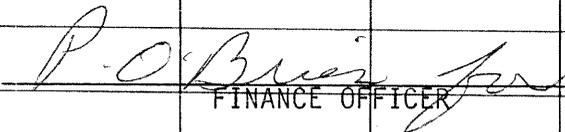
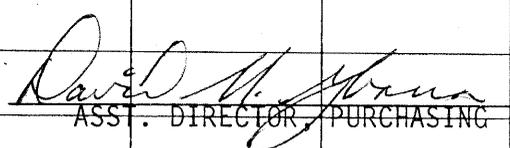
cc:     P. Ogren  
          K. Danen  
          R. Nubbe

"BIDS FOR BITUMINOUS MIXTURES" - PW Asphalt Plant

Offl. Publ. #6574 Bids opened 10 AM, CST February 7, 2006 Minneapolis MN		Medwest Asphalt Corp.	Bitumen Roadway Inc.	Commerced Asphalt Co. Maple Grove Pennville				
	Plant location/City for FOB Pick Up North Zone	See Bid	See Bid	See Bid				
	Plant Location/City for FOB Pick Up South Zone	"	"	"				
	Vendor delivery charge for Hot Mix (North Zone)	6.20	6.00	N/A				
	Vendor delivery charge for Hot Mix (South Zone)	6.20	5.50	"				
	Vendor delivery charge for Item 1 to 1925 East 26th 10,000 tons SPWEA540L	7.65	2.50	"				
1.	\$/ton	42.15	43.25	35.25	36.10			
2.	7,000 tons SWPEB540L \$/ton	40.25	38.50	33.50	34.35			
3.	7,000 tons SPNWB530L \$/ton	38.50	38.50	31.70	30.15			
4.	20,000 tons SPNWB430L \$/ton	39.20	35.75	32.80	31.95			
5.	12,500 tons SPWEB440L \$/ton	37.00	36.50	34.50	35.20			
6.	1,000 tons SPWEA440L \$/ton	41.20	44.75	35.10	36.20			
7.	650 tons MVWE350 (SC250) \$/ton	49.00	51.50	N/A	N/A			
	Regular Plant Hours days and hours	see bid	see bid	see bid	see bid			
a.	Additional Surcharges Keeping plant open after hours 1000		5.00	see bid	see bid			
b.	Opening plant on Saturday \$/ton	500.00	5.00	1000.00				
c.	Opening plant on Sunday \$/ton	N/A	10.00	2000.00				
d.	Opening plant on a holiday \$/ton	N/A	15.00	2000.00				
e.	Opening plant after Thanksgiving Day \$/ton	5000.00	10.00	see bid 1000.00				
f.	Opening plant on short notice for emergency \$/ton	5000.00	10.00	see bid				
g.	Any trucking surcharge \$/ton	6.20	5.00	N/A				

"BIDS FOR BITUMINOUS MIXTURES" - P/W Asphalt Plant

Offl. Publ. #6574  
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	①	②	③						
Bituminous Mixtures									
Accept bituminous millings	yes	yes	yes						
What charge or credit will be given \$/ton	1.50	2.00	2.00						
Charge or Credit	charge	credit	credit						
Bituminous Rubble									
Accept bituminous rubble	yes	yes	yes						
What charge or credit will be given \$/ton	1.50	2.00	free dump						
Charge or Credit	charge	charge	—						
Plant Accommodations are platforms provided	yes	yes	yes						
Is an approved release agent available for use	yes	yes	yes						
Plant Location Address	See Bid	See Bid	See Bid						
Will this location change during contact period Y/N	no	no	no						
If Yes on what date and to what locaton	yes	—	—						
Vendor agrees to increase qty's up to 100% at bid prices	yes	yes	yes						
Cash discount - % 20 days	2.00	0	4.00						
We, the undersigned, hereby certify that the above bids were publicly opened and read aloud:									
 P. O. Brainerd FINANCE OFFICER					 David M. Johnson ASST. DIRECTOR, PURCHASING				

**CITY OF MINNEAPOLIS**  
**DEPARTMENT OF PUBLIC WORKS**  
**ENGINEERING MATERIALS & TESTING DIVISION**  
**ENGINEERING LABORATORY**  
 1901 EAST 26TH STREET  
 MINNEAPOLIS, MINNESOTA 55404-4028

**MEMORANDUM**

**TO:** Paul Ogren, P.E.  
 Director of Field Services

**FROM:** Kevin J. Danen, P.E.  
 Materials & Testing Engineer

**DATE:** March 29, 2006

**SUBJECT:** Hot-Mix Asphalt Price History

In 2006 as in the previous 2 years, the City of Minneapolis Public Works Department has worked with the City of Minneapolis Purchasing Department to prepare a bid for Hot-Mix Asphalt. As in the past years, multiple bidders have been awarded the bid for various hot-mix asphalt mixes. The following is a summary of the history of the prices of this material over the last 3 years.

	2004-2005 % Change	2006-2005 % Change	Overall % Change
Commercial	13%	2%	14%
Maintenance	8%	-4%	4%
Binder	8%	3%	11%
Base	21%	14%	32%
Residential	28%	10%	35%

	2004 Private Prices	2005 Private Prices	2006 Private Prices
Commercial	\$28.75	\$32.90	\$33.50
Maintenance	\$33.75	\$36.50	\$35.25
Binder	\$28.25	\$30.75	\$31.70
Base	\$22.30	\$28.10	\$32.80
Residential	\$22.30	\$31.15	\$34.50

As can be seen, prices overall have increased since the first year of bidding. This can be attributed to large increases in petroleum related products, transportation services, and other inflationary increases.