

# MEMORANDUM

TO: BOB KUNTZ, CITY ADMINISTRATOR

FROM: JIM LINK, DIRECTOR OF PUBLIC WORKS

DATE: FEBRUARY 15, 2019

RE: READY MIX CONCRETE

**RECOMMENDATION:** We recommend awarding this contract at the bid unit price for the two types of concrete, including the alternate bids, to the low bidder, Valley Material Co.

**EXPLANATION:** 2018 was our first full year using our new concrete mixer. In 2017 we used 1,158 cubic yards of concrete from a ready mix concrete supplier. The goal for 2018 was to pour 1,700 cubic yards using our mixer. In 2018 we used 681.25 cubic yards from a ready mix company and we produced 689.47 cubic yards of concrete with our mixer. As a precaution, we solicited bids including the alternate bid items as a backup supplier in order to get better unit prices. The low bidder's current price to the general public is approximately \$140 per cubic yard compared to their bid prices of \$97.00 and \$92.70. The bid specifications state that the City reserves the right to increase or decrease this contract based on the contract unit price.

Requests for bids were sent to several suppliers. Also, we advertised in the St. Louis Business Journal and on the City's website. Bid specifications are on file at the Public Works Department. On February 15th, 2019, two bids were received and opened. The summary of bids received is as follows.

Bidder	High Early Strength Concrete (Slabs) Bid Quantity: 1,000 cy	Class B Concrete (Sidewalks) Bid Quantity: 500 cy	Total Bid
Landvatter Ready Mix, Inc.	\$99,300.00 (\$99.30/cy)	\$46,695.00 (\$93.39/cy)	\$145,995.00
Valley Material Company	\$97,000.00 (\$97.00/cy)	\$46,350.00 (\$92.70/cy)	\$143,350.00
<b>Budget</b>			<b>\$153,775.00</b>

In addition to the cubic yard unit price, the following alternate bid prices were received.

Item No.	Description	Unit	Landvatter Ready Mix, Inc.	Valley Material Company
A	Demurrage (in excess of 5 minutes per cy) (unloading time)	Per Minute	\$1.50	\$2.00
B	1% Calcium Chloride (cold weather)	Per CY	\$2.25	\$2.94
C	Retarder (3 oz/cwt) (hot weather)	Per CY	\$2.75	\$5.00
D	Winter Service (hot water)	Per CY	\$5.00	\$5.00
E	Short Haul Charge (delivery of less than 5 cy per load)*	Per CY	\$140.00: 1 – 1.75 yards \$120.00: 2 – 2.75 yards \$75.00: 3 – 3.75 yards \$45.00: 4 – 4.75 yards	\$150.00: 1-175 cy \$120.00: 2-2.75 cy \$100.00: 3-3.75 cy \$80.00: 4-4.75 cy

\* Unit prices are based on number of cubic yards.