

STATEMENT OF PURPOSE: This resolution authorizes the purchase of delivered class 5 gravel, 3/4-inch crushed washed rock, rip-rap, and sand from Duluth Ready Mix, Inc., to be used by public works and utilities and street maintenance in year 2021, for an estimated amount of \$443,081.75.

The purchasing division posted an invitation to bid on December 27, 2016, and received four bids. After careful review, the purchasing agent determined the low bid was Duluth Ready Mix, Inc. and entered into a one-year agreement with four optional renewals. The prices shown below reflect an increase from last year of \$0.40 per ton for delivery of most commodities due to the increased demand brought on by the size and number of construction projects in the area. However, all of the prices are still competitive and all but one price are still lower than the other bids received in 2016. This purchase will be the fourth and final optional renewal.

Duluth Ready Mix (per ton prices)

Class V Gravel	\$12.35
3/4-in washed, crushed rock	\$19.05
Rip-rap	\$28.20
Bedding Sand	\$13.05
Washed Sand	\$13.35