PURCHASING POLICY 34

DATE: October 6, 2010

TO: Mn/DOT Purchasers

FROM: Kent Allin, Director

SUBJECT: Bituminous Materials, Aggregates, Ready Mix, and Sand Policy for Mn/DOT

POLICY OBJECTIVES:

To create a policy to standardize solicitation and contracting practices among the Mn/DOT Regions for the purchase of Bituminous Materials, Aggregates, Ready Mix, and Sand.

BACKGROUND

The Mn/DOT Regions purchase Bituminous Materials, Aggregates, Ready Mix, and Sand under their delegated purchasing authority for those products. Mn/DOT picks up the Bituminous Materials, Aggregates, and Sand at the vendor's facility; the Ready Mix is delivered. Purchases of these products are needed for small scale daily use and for specific projects. Pricing on these products can be volatile. Mn/DOT's hauling costs need to be minimized.

GOAL

To standardize the process so that Mn/DOT Regions may obtain the best current local pricing for these materials in an efficient manner.

POLICY

1. Mn/DOT Regional District buyers may have specific delegated authority levels for the purchase of Bituminous Materials, Aggregates, Ready Mix, and Sand up to $100,000 per this policy if they are $50,000 ALP certified.

2. The Mn/DOT Regions will solicit bids for individual projects of $50,000 or more. Mn/DOT may solicit individual projects for less than $50,000 if they deem it is in the State's best interest.
3. The Mn/DOT Regions may solicit pricing agreements for Bituminous Materials, Aggregates, Ready Mix, and Sand for the repetitive small scale projects under $50,000 for the annual construction season.

   a. The pricing agreements may only be used with State funding (no Federal funds).
   b. The pricing agreements shall not exceed $100,000.
   c. The RFBs for the pricing contracts shall be advertised a minimum of 7 days on the MMD web site under the Solicitations Announcements.
   d. Price agreements may not exceed a construction season or one year whichever is shorter.

4. The RFBs for the pricing agreements will be advertised on the Materials Management Division website for a minimum of 7 days. To do this, go to http://www.mmd.admin.state.mn.us/process/contract/, buyer enters same access code used to look up contracts, click on the link to go to the Solicitations Posting Page, click on Contract Solicitations, and fill in the Solicitation Posting Form – Contracts. An example is attached.

5. Mn/DOT Regions will use the RFB document that has been tailored to the needs for these products, (current version ‘rfb40_mndot_Oct10’). The contract attached to the solicitation is not valid unless countersigned by Mn/DOT and it includes the Blanket Purchase Order Encumbrance Number.

Attachment
Solicitation Posting Form - Contracts

TEXT IN RED and preceded by an asterisk (*) indicates required field

*Select One:
- [ ] Materials Management Division
- [x] Other Purchasing Office

Rebid?:
- ☐ Yes
- [x] No

Agency Solicitation Number:
- 1234

*Contract Title:
- Example: Aggregates for March 2010 for Mn/DOT Region 8

*Contracting Agency:
- Mn/DOT Region 8

*Due Date:
- 02 / 18 / 10

*Time:
- 04 : 00 AM

*Contact Person:
- Mn/DOT Contact Name

*Contact Phone:
- 507 - 999 - 1234

TTY Phone:
- - - Ext.

Fax Number:
- 507 - 999 - 5678

*Contract Available To:
- ☐ All state agencies and CPV members
- ☐ Only state agencies
- [x] Other (name of the Agency, Division or Section that will use this contract):

- Mn/DOT Region 8

Notes:
Copies of the solicitation may be obtained by contacting (Name________), at phone number (____-____-____), fax number (____-____-____), or email address (____________________).