



CITY COUNCIL ACTION REPORT

August 22, 2011

TO: John Szerlag, City Manager

FROM: Susan A. Leirstein, Purchasing Director
Timothy L. Richnak, Public Works Director

RE: Standard Purchasing Resolution 3: Exercise Renewal Option – Outdoor Light Maintenance and Repair Contract

Background

On September 28, 2009, Troy City Council approved a contract to provide two (2) year requirements of street, parking lot and athletic field light maintenance and repair with an option to renew for one additional year to the low total bidder, Northern Sign Company of Pontiac, MI (Resolution #2009-09-290-F4a). The awarded vendor has been providing quality service for the City and has offered to renew their contract for 2011/2012 under the same prices, terms, and conditions. Moving this work forward would enhance public safety and reduce liability to the City.

The Purchasing department conducted a favorable market survey and found no additional value would be obtained from bidding at this time. (See survey attached)

Fund Availability

Funds for this contract are available in the 2011/2012 Street Light Maintenance Accounts and the Parks Maintenance Account for lighting work done on ball diamonds.

Recommendation

City management and the Public Works department recommend exercising the option to renew for one additional year with the low total bidder, Northern Sign Company, Inc. of Pontiac, at unit prices and discounts contained in the bid tabulation, not to exceed budgetary limitations, with a contract expiration of September 30, 2012.

August 18, 2011

TO: Susan A. Leirstein, Purchasing Director

FROM: Julie Hamilton, Buyer

RE: MARKET SURVEY – Outdoor Light Maintenance and Repair

GREAT LAKES POWER & LIGHTING – Charles Schhab (586) 716-4000

Wages and rates have remained steady over the past two (2) years. Work for the electrical trades has remained steady but there has not been a decrease in rates or supply costs.

MHM CONSTRUCTION, LLC – Mary H. Michelsen (248) 689-0710

According to Mary, wages have remained steady but supplies, especially wire, has increased with the rise in fuel costs.

ARANEAE, INC. – John Carroll (248) 344-8840

John stated that his rates have remained steady with no major decreases. His bid prices would be consistent with what he bid last time.

Additional research was conducted with a review of recent bid results from neighboring cities. The City of Livonia issued a bid for Parking, Athletic, Street and General Electrical Maintenance that opened May 5, 2011. Comparing Livonia's bid prices to that of Troy's, our unit prices for replacement of equipment is around half those received by Livonia. In contrast, we are paying more for our hourly labor rates than the rates provided to the City of Livonia. Under our contract, the hourly labor rates are used for additional items only, while the majority of the work conducted under this contract is for replacement of equipment.

Based upon the above comments and the City of Livonia bid results, I respectfully recommend that the City accept the offer to renew the contract for Outdoor Light Maintenance and Repair with the current vendor as no additional value can be obtained from bidding at this time.

CC: File

ATTN:
Northern Sign Company, Inc.
101 E Walton
Pontiac , MI 48340

On October 1, 2009, the City of Troy entered into contract 2010-90000010 OB with Northern Sign Company, Inc. to provide two (2) year requirements of the Outdoor Light Maintenance and Repair. This contract contained an option to renew for one (1) additional year periods through mutual consent of both parties, within 30 days of contract termination.

Please fax this letter back to Marina Basta Farouk at Public Works Department indicating Northern Sign Company, Inc., wishes to renew this contract until September 30, 2012. Our fax number is (248) 524-3520. It should be understood that this request to renew the contract is subject to a favorable market survey. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Manager and City Council approval and a blanket purchase order issued.

If you have any questions please call me at (248) 524-3595.

CHECK ONE:

Northern Sign Company, Inc. is interested in renewing the contract under the same prices, terms, and conditions:

Northern Sign Company, Inc. is not interested in renewing the contract:

X *Ant. Kalle*
Signed: Authorized Company Representative

Date: 8/8/11

Thank you,
Marina Basta Farouk
Project Construction Manager

Resolution #2009-09-290
Moved by Beltramini
Seconded by Fleming

RESOLVED, That all items as presented on the Consent Agenda are hereby **APPROVED** as printed.

Yes: Fleming, Howrylak, Kerwin, Schilling, Beltramini, Eisenbacher
No: None
Absent: Broomfield

MOTION CARRIED

F-1b Address of "F" Items Removed for Discussion by City Council and/or the Public

F-2 Approval of City Council Minutes

Resolution #2009-09-290-F-2

RESOLVED, That Troy City Council hereby **APPROVES** the Minutes of the 7:30 PM Regular City Council Meeting of September 14, 2009 as submitted.

F-3 Proposed City of Troy Proclamation: None Submitted

F-4 Standard Purchasing Resolutions:

a) Standard Purchasing Resolution 1: Award to Low Bidder – Outdoor Light Maintenance and Repair

Resolution #2009-09-290-F-4a

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide two-year requirements of street light, parking lot, and athletic field light maintenance with an option to renew for one additional year to the low total bidder, Northern Sign Company, Inc. of Pontiac, MI, at unit prices and discounts contained in the bid tabulation opened August 19, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with expenditures not to exceed budgetary limitations, expiring September 30, 2011; and

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

b) Standard Purchasing Resolution 1: Award to Low Bidder – Street Light Installation/Replacement

Resolution #2009-09-290-F-4b



CITY COUNCIL ACTION REPORT

September 9, 2009

TO: John Szerlag, City Manager

FROM: Mark F. Miller, Acting Assistant City Manager / Economic Development Services
Susan A. Leirstein, Purchasing Director
Timothy L. Richnak, Public Works Director
Carol K. Anderson, Parks and Recreation Director

SUBJECT: Standard Purchasing Resolution 1: Award To Low Bidder – Outdoor Light Maintenance and Repair

Background

- On August 19, 2009, bids were opened to provide two (2) year requirements of street, parking lot, and athletic field light maintenance with an option to renew for one additional year.
- Sixty-five (65) vendors were notified via the MITN website with six (6) bidders responding.
- Northern Sign Company, Inc. of Pontiac was the low bidder.
- All bidders were given the opportunity to respond with their level of interest in furnishing all labor, tools, equipment, transportation services and traffic controls for outdoor light maintenance and repairs.

Financial Considerations

- Funds for these services are available in the 2009/10 Street Lighting accounts and the Athletic Field Maintenance account as listed below:
 - Acct # 101.447.25.448.7802.150 Street Lighting - Contractual Services
 - Acct # 401.447.448.7978.010 Street Lighting - General Equipment
 - Acct # 101.751.30.759.7802.070 Athletic Field Maintenance - Contractual Services

Legal Considerations

- ITB-COT 09-32 Outdoor Light Maintenance was competitively bid and opened as required by City Charter and Code.
- The award is contingent upon the recommended bidder's submission of proper contracts and bid documents, including insurance certificates and all other specified requirements.

Options

- City management and the Public Works department recommends awarding a contract to provide two (2) year requirements of street, parking lot, and athletic field light maintenance with an option to renew for one additional year to the low bidder, Northern Sign Company, Inc. of Pontiac, MI, for an estimated total cost of \$54,825.00, at unit prices and discounts contained in the bid tabulation opened August 19, 2009, not to exceed budgetary limitations, expiring September 30, 2011.

CITY OF TROY
 BID TABULATION
 OUTDOOR LIGHT MAINTENANCE

Opening Date -- 8/19/09
 Date Prepared -- 8/19/09 jh

VENDOR NAME:

* Northern Sign Company	Great Lakes Power and	MHM Construction, LLC
Inc.	Lighting, Inc.	
Check # 1070007333	15349566	1805
Check Amount \$1,000.00	\$1,000.00	\$1,000.00

EST ITEM #	QTY/YR	DESCRIPTION	Unit Price	Total	Unit Price	Total	Unit Price	Total
1.	200 ea	Call Out & Determination of cause of outage	\$ 86.00	\$ 17,200.00	\$ 55.00	\$ 11,000.00	\$ 100.00	\$ 20,000.00
2.	500 ea	Replace Lamp	\$ 24.00	\$ 12,000.00	\$ 35.00	\$ 17,500.00	\$ 70.00	\$ 35,000.00
3.	80 ea	Replace Ballast	\$ 65.00	\$ 5,200.00	\$ 55.00	\$ 4,400.00	\$ 122.00	\$ 9,760.00
4.	60 ea	Replace Starter	\$ 34.00	\$ 2,040.00	\$ 110.00	\$ 6,600.00	\$ 62.00	\$ 3,720.00
5.	100 ea	Replace Fuse	\$ 30.00	\$ 3,000.00	\$ 35.00	\$ 3,500.00	\$ 56.00	\$ 5,600.00
		(per pole/per electric box)						
6.	20 ea	Replace Lens	\$ 34.00	\$ 680.00	\$ 35.00	\$ 700.00	\$ 62.00	\$ 1,240.00
7.	50 ea	Replace Photo Cell	\$ 34.00	\$ 1,700.00	\$ 55.00	\$ 2,750.00	\$ 56.00	\$ 2,800.00
8.	20 ea	Replace Breakers	\$ 34.00	\$ 680.00	\$ 110.00	\$ 2,200.00	\$ 70.00	\$ 1,400.00
9.	200 ea	Tighten & Lubricate Anchor Bolts						
		Horizontal Refractors, Glass et	\$ 60.00	\$ 12,000.00	\$ 85.00	\$ 17,000.00	\$ 92.00	\$ 18,400.00
10.	5 ea	Remove & Replace Fixture	\$ 65.00	\$ 325.00	\$ 110.00	\$ 550.00	\$ 105.00	\$ 525.00
ESTIMATED GRAND TOTAL:			\$ 54,825.00		\$ 66,200.00		\$ 98,445.00	

CONTACT INFORMATION:

Hours of Operation:	7 AM to 5 PM	6:30 AM to 5:30 PM	8 AM to 5 PM
24HR Contact Number:	248-333-7938	810-824-0075	248-556-6550

ADDITIONAL ITEMS, IF REQUIRED

	PRICE/HR/CREW	PRICE/HR/CREW	PRICE/HR/CREW
11. Hourly labor rate per crew			
A) Regular Time	\$ 150.00	\$ 98.00	\$ 50.00
B) Overtime	\$ 200.00	\$ 146.00	\$ 75.00
C) Holiday Time	\$ 250.00	\$ 192.00	\$ 75.00
	\$/HR/Electrician	\$/HR/Electrician	\$/HR/Electrician
12. Journeyman Electrician			
A) Regular Time	\$ 85.00	\$ 55.00	\$ 35.00
B) Overtime	\$ 120.00	\$ 80.00	\$ 52.50
C) Holiday Time	\$ 155.00	\$ 106.00	\$ 52.50
	\$/HR/Inc Operator	\$/HR/Inc Operator	\$/HR/Inc Operator
13. Hourly rate for Backhoe/Operator			
A) Regular Time	\$ 120.00	\$ 100.00	\$ 50.00
B) Overtime	\$ 155.00	\$ 145.00	\$ 50.00
C) Holiday Time	\$ 185.00	\$ 190.00	\$ 50.00
	\$/HR/Inc Operator	\$/HR/Inc Operator	\$/HR/Inc Operator
14. Hourly rate for Service Truck w/Crane			
A) Regular Time	\$ 150.00	\$ 100.00	\$ 50.00
B) Overtime	\$ 200.00	\$ 145.00	\$ 50.00
C) Holiday Time	\$ 250.00	\$ 190.00	\$ 50.00

Opening Date -- 8/19/09
 Date Prepared -- 8/19/09

CITY OF TROY
 BID TABULATION
 OUTDOOR LIGHT MAINTENANCE

VENDOR NAME:	* Northern Sign Company, Inc.	Great Lakes Power and Lighting, Inc.	MHM Construction, LLC
15. Non-Contract Replacement Parts			
Discount + % or - %	+30%	+15%	+5% or -0%
Parts List Dated	Blank	Blank	Blank
or Invoiced Price	Blank	Yes	Yes
Manufactured by:	various	Blank	Blank
INSURANCE: Can Meet	XX	XX	XX
Cannot Meet			
PAYMENT TERMS:	30 Days	Blank	30 Days
WARRANTY:	Blank	Blank	1 Year
RESPONSE TIME:	Within 48 Hours	Blank	48 Hours
EXCEPTIONS:	Blank	Blank	Blank
ACKNOWLEDGEMENT: Y or N	Yes	Yes	Yes

PROPOSAL: Furnish All Labor, Tools, Equipment, Transportation Services, and Traffic Controls to Provide Two-Year Requirements of Street, Parking Lot, and Athletic Field Light Maintenance with an Option to Renew for One Additional Year

*** DENOTES LOW TOTAL BIDDER**

DISQUALIFIED:
 Dynamic Signs Systems & Marketing LLC (Did not submit bid surety check with bid, as specified)

ATTEST:
 Deanna Theobald
 Tom Rosewarne
 Diane Fisher
 Linda Bockstanz

 Susan Leirstein CPPB
 Purchasing Director

CITY OF TROY
 BID TABULATION
 OUTDOOR LIGHT MAINTENANCE

Opening Date -- 8/19/09
 Date Prepared -- 8/19/09

VENDOR NAME:		Aranae, Inc.	J. Ranck Electric, Inc	Corby Energy Services, Inc		
Check #		100534594	15343256	36319779		
Check Amount		\$1,000.00	\$1,000.00	\$1,000.00		
EST ITEM QTY/YR DESCRIPTION	Unit Price	Total	Unit Price	Total	Unit Price	Total
1. 200 ea Call Out & Determination of cause of outage	\$ 285.00	\$ 57,000.00	\$ 250.00	\$ 50,000.00	\$ 650.00	\$ 130,000.00
2. 500 ea Replace Lamp	\$ 45.00	\$ 22,500.00	\$ 80.00	\$ 40,000.00	\$ 120.00	\$ 60,000.00
3. 80 ea Replace Ballast	\$ 75.00	\$ 6,000.00	\$ 100.00	\$ 8,000.00	\$ 175.00	\$ 14,000.00
4. 60 ea Replace Starter	\$ 55.00	\$ 3,300.00	\$ 75.00	\$ 4,500.00	\$ 120.00	\$ 7,200.00
5. 100 ea Replace Fuse (per pole/per electric box)	\$ 30.00	\$ 3,000.00	\$ 80.00	\$ 8,000.00	\$ 120.00	\$ 12,000.00
6. 20 ea Replace Lens	\$ 55.00	\$ 1,100.00	\$ 80.00	\$ 1,600.00	\$ 120.00	\$ 2,400.00
7. 50 ea Replace Photo Cell	\$ 45.00	\$ 2,250.00	\$ 60.00	\$ 3,000.00	\$ 120.00	\$ 6,000.00
8. 20 ea Replace Breakers	\$ 95.00	\$ 1,900.00	\$ 80.00	\$ 1,600.00	\$ 150.00	\$ 3,000.00
9. 200 ea Tighten & Lubricate Anchor Bolts Horizontal Refractors, Glass etc	\$ 95.00	\$ 19,000.00	\$ 125.00	\$ 25,000.00	\$ 120.00	\$ 24,000.00
10. 5 ea Remove & Replace Fixture	\$ 145.00	\$ 725.00	\$ 150.00	\$ 750.00	\$ 160.00	\$ 800.00
ESTIMATED GRAND TOTAL:		\$ 116,775.00	\$ 142,450.00	\$ 259,400.00		
CONTACT INFORMATION:						
Hours of Operation:	7 AM to 4:30 PM	7 AM to 3:30 PM	7 AM to 5 PM			
24HR Contact Number:	313-218-5808	888-459-0594	313-350-2433			
ADDITIONAL ITEMS, IF REQUIRED						
	PRICE/HR/CREW	PRICE/HR/CREW	PRICE/HR/CREW			
11. Hourly labor rate per crew						
A) Regular Time	\$ 140.00	\$ 160.00	\$ 125.00			
B) Overtime	\$ 190.00	\$ 225.00	\$ 160.00			
C) Holiday Time	\$ 240.00	\$ 300.00	\$ 195.00			
	\$/HR/Electrician	\$/HR/Electrician	\$/HR/Electrician			
12. Journeyman Electrician						
A) Regular Time	\$ 70.00	\$ 70.00	\$ 65.00			
B) Overtime	\$ 95.00	\$ 115.00	\$ 80.00			
C) Holiday Time	\$ 130.00	\$ 165.00	\$ 95.00			
	\$/HR/Inc Operator	\$/HR/Inc Operator	\$/HR/Inc Operator			
13. Hourly rate for Backhoe/Operator						
A) Regular Time	\$ 125.00	\$ 140.00	\$ 75.00			
B) Overtime	\$ 180.00	\$ 190.00	\$ 105.00			
C) Holiday Time	\$ 230.00	\$ 225.00	\$ 130.00			
	\$/HR/Inc Operator	\$/HR/Inc Operator	\$/HR/Inc Operator			
14. Hourly rate for Service Truck w/Crane						
A) Regular Time	\$ 110.00	\$ 135.00	\$ 95.00			
B) Overtime	\$ 130.00	\$ 165.00	\$ 110.00			
C) Holiday Time	\$ 160.00	\$ 200.00	\$ 125.00			

Opening Date -- 8/19/09
 Date Prepared -- 8/19/09

CITY OF TROY
 BID TABULATION
 OUTDOOR LIGHT MAINTENANCE

VENDOR NAME:	Aranaeae, Inc.	J. Ranck Electric, Inc	Corby Energy Services, Inc.
15. Non-Contract Replacement Parts			
Discount + % or - %	Blank	+ 15%	+ 10%
Parts List Dated	18-Aug-09	Blank	Blank
or Invoiced Price	Blank	Blank	Blank
Manufactured by:	Blank	Blank	Blank
INSURANCE: Can Meet	XX	XX	XX
Cannot Meet			
PAYMENT TERMS:	N 30	30 Days	Net 30
WARRANTY:	1 Yr on workmanship only	Manufacturers	1 Year
RESPONSE TIME:	48 Hours	48 Hours	48 Hours
EXCEPTIONS:	Blank	Blank	None
ACKNOWLEDGEMENT: Y or N	Yes	Yes	Yes

PROPOSAL: Furnish All Labor, Tools, Equipment, Transportation Services, and Traffic Controls to Provide Two-Year Requirements of Street, Parking Lot, and Athletic Field Light Maintenance with an Option to Renew for One Additional Year