



## CITY COUNCIL AGENDA ITEM

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Date: September 1, 2011

To: John Szerlag, City Manager

From: Mark F. Miller, Director of Economic and Community Development  
Steven J. Vandette, City Engineer

Subject: Agenda Item – Standard Purchasing Resolution #1: Award to Low Bidder  
Contract 11-3 – Section 35 Pavement Rehabilitation

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### Background

The water mains in the section 35 subdivisions were replaced in 2010. The existing asphalt streets: Sheffield, Kenyon, Lyons, Burtman, Wacon, Redwood, Jamaica, and Key West will receive base repairs, curb & gutter repairs, some drive approach replacements, catch basin repairs, mill and overlay. A pavement repair and resurfacing project is typically scheduled the following construction season to repair the existing roads due to damage caused by the water main construction. The work is anticipated to start late-September and be completed by late-November.

Bids were received and publicly read on August 31, 2011. The low bid of \$860,776.00 was submitted by Ajax Paving Industries, Inc., as can be seen in the attached bid tabulation summary. The engineer's estimate at the time of bidding was \$937,000.00. The low bid is therefore \$76,224.00 or 8.13% below the engineer's estimate.

### Recommendation

It is recommended that City Council award a contract for the Section 35 Pavement Rehabilitation project to Ajax Paving Industries, Inc., 830 Kirts Blvd., Suite 100, Troy, MI 48084 for their low total bid amount of \$860,776.00.

In addition, we are requesting authorization to approve additional work, if needed, not to exceed 25% of the original project cost due to unknown pavement conditions exposed after the milling operation and unknown quantities of base repair that may be needed prior to placement of the asphalt overlay. Please know that we have incorporated a 25% contingency for this type of work since 2006.

### Fund Availability

Funds for this work are included in the 2011-12 Water Fund. The budgeted amount includes funds for construction, inspection and contingencies.

### Legal Considerations

Work was competitively bid and publicly opened with four (4) bidders responding. The award is contingent upon submission of proper proposal and bid documents, including insurance certificates, bonds and all specified requirements.

BID TABULATION  
CONTRACT 11-3  
Section 35 Pavement Rehabilitation  
City of Troy  
Oakland County, Michigan

Bids Due: August 31, 2011  
Project # 09.501.5

**Total Bid Amount**

Ajax Paving Industries, Inc.	\$	<b>860,776.00</b>
Barrett Paving Materials, Inc.	\$	<b>939,859.00</b>
Pro-Line Asphalt Paving Corp.	\$	<b>972,810.97</b>
Cadillac Asphalt, LLC	\$	<b>1,006,858.00</b>