



CITY COUNCIL AGENDA ITEM

February 3, 2012

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 – Transit Mixed Concrete

Background

On April 18, 2011, Troy City Council approved contracts to provide one-year requirements of transit mixed concrete with an option to renew for one additional year to the low bidders: McCoig Materials /Koenig Fuel & Supply of Plymouth, MI, as the primary supplier, and Superior Materials of Farmington Hills, the secondary supplier at unit prices listed in the bid tabulation opened March 22, 2011 (Resolution #2011-04-085-J-4a). A secondary supplier is awarded in the event the primary supplier is unable to provide material or meet delivery needs. Both McCoig Materials/Koenig Fuel and Superior Materials have agreed to renew their respective contracts under the same prices, terms, and conditions.

The Purchasing Department analyzed the market and found the City would not benefit from soliciting new bids for the items specified as operating costs, especially fuel, is expected to fluctuate over the course of the renewal period. Other communities that have solicited bids late in 2011 are paying approximately 3.5% more for material than the City of Troy. By renewing existing contracts, the City minimizes cost increases, and benefits from efficient strategic planning.

Recommendation

City management recommends exercising the option to renew for one additional year with, McCoig Materials/Koenig Fuel & Supply of Plymouth, MI, as the primary supplier, and Superior Materials of Farmington Hills, the secondary supplier under the same contract prices, terms, and conditions expiring April 30, 2013.

Fund Availability

Funds for these materials are available through the Public Works operating budgets.

Prepared by: Marina Basta-Farouk, Project Construction Manager

G:\Bid Award 12-13 New Format\Award Standard Purchasing Resolution 3 TransitMixConcrete ITB-COT 11-07.doc

February 2, 2012

TO: Susan A Leirstein, Purchasing Director
FROM: Julie Hamilton, Buyer
RE: MARKET SURVEY – Transit Mixed Concrete

PARAGON READY MIX – Ken Niehsl (586) 731-8000
According to Ken, concrete prices have remained relatively steady over the past year with only a minor increase. Although fuel fluctuations are hard to track, the competition in the market place has caused the concrete prices to remain steady.

Based upon the above comment, I respectfully recommend that the City accept the offer to renew the contract for transit mixed concrete with the current primary and secondary vendors.

CC: File

G://Purchasing/Bid Award 12-13/Award Standard Purchasing Resolution 3 - MARKETSURVEY - Transit Mixed Concrete 03.12.doc



Date: January 1, 2012

ATTN: Mr. ~~Michael Hyland~~ *Math Villet*
Company: Mc Coig Materials
Address: PO Box 6349
Plymouth, MI 48170

Dear Mrs.:

The City of Troy entered into contract # 2011-00001012 OB with Mc Coig Materials/Koenig Fuel & Supply of Plymouth, as the primary Supplier to provide one-year requirements of Transit Mixed Concrete with an option to renew for one additional year, which currently expires April 30, 2012. The City is interested to know whether McCoig Materials/Koenig Fuel & Supply will renew its contract at established prices for the one additional year.

Please fax this letter back to Marina Basta Farouk at DPW indicating if McCoig Materials/Koenig Fuel & Supply wishes to renew this contract until April 30, 2013. The 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:

(McCoig Materials/Koenig Fuel & Supply) is interested in renewing the contract

under the same prices, terms, and conditions:

(McCoig Materials/Koenig Fuel & Supply) is not interested in renewing the contract:

X *Math Villet*
Signed: Authorized Company Representative

Date: *1/5/2012*

Thank you,
Marina Basta Farouk
Project Construction Manager
Department of Public Works, City of Troy

From: City of Troy DPW

2485243520

01/05/2012 09:49

#732 P.001/001



Date: January 1, 2012

ATTN: Mr. John Werner
Company: Superior Materials
Address: 30701 W. 10 Mile Road,
Farmington Hills, MI 48336

Dear Mrs.:

The City of Troy entered into contract # 2011-00001013 OB with Superior Materials of Farmington Hills, as the secondary supplier to provide one-year requirements of Transit Mixed Concrete with an option to renew for one additional year, which currently expires April 30, 2012. The City is interested to know whether Superior Materials will renew its contract at established prices for the one additional year.

Please fax this letter back to Marina Basta Farouk at DPW indicating if Superior Materials wishes to renew this contract until April 30, 2013. The 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:

(Superior Materials) is interested in renewing the contract under the same prices, terms, and conditions:

(Superior Materials) is not interested in renewing the contract:

x John M. Werner

Signed: Authorized Company Representative

Date: 1/9/12

Thank you,
Marina Basta Farouk
Project Construction Manager
Department of Public Works, City of Troy

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** an agreement with Woodberry Wine, LLC for a new Wholesale License to be located at 1307 East Maple, Suite B, Troy, MI, 48083, Oakland County {MLCC Req. #607285}; and hereby **AUTHORIZES** the Mayor and City Clerk to **EXECUTE** the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes: All-7
No: None

MOTION PASSED

J. CONSENT AGENDA:

J-1a Approval of “J” Items NOT Removed for Discussion

Resolution #2011-04-085
Moved by Beltramini
Seconded by Kerwin

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented.

Yes: All-7
No: None

MOTION PASSED

J-1b Address of “J” Items Removed for Discussion by City Council

J-2 Approval of City Council Minutes

Resolution #2011-04-085-J-2

RESOLVED, That Troy City Council hereby **APPROVES** the following Minutes as submitted:

- a. Regular City Council Meeting of April 4, 2011

J-3 Proposed City of Troy Proclamations: None Submitted

J-4 Standard Purchasing Resolutions

- a) **Standard Purchasing Resolution 1: Award to Low Bidders – Transit Mixed Concrete**

Resolution #2011-04-085-J-4a

RESOLVED, That Troy City Council hereby **AWARDS** contracts to provide one-year requirements of Transit Mixed Concrete with an option to renew for one additional year to the low bidders, McCoig Materials/Koenig Fuel & Supply of Plymouth, MI as the primary supplier, and Superior Materials of Farmington Hills, MI as the secondary supplier, at unit prices contained in the bid tabulation opened March 22, 2011, a copy of which shall be **ATTACHED** to the original Minutes of this meeting for an estimated total cost of \$138,000.00, to commence May 1, 2011, and expire April 30, 2012.

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

b) Standard Purchasing Resolution 1: Award to Low Bidders - Aggregates

Resolution #2011-04-085-J-4b

RESOLVED, That Troy City Council hereby **AWARDS** one-year contracts to provide Aggregate Material with an **OPTION** to renew for one (1) additional year to the following low bidders:

Recommended Vendors	Item / Description	Price/Ton
Boulevard & Trumbell Towing	6. Crushed Concrete 1" – 3"	\$8.48
Tri-City Aggregates	2. 22A Gravel	\$8.00
	5. Fill Sand	\$5.50
B&W Landscape Supply	10. Mason Sand	\$9.97
	11. Limestone 1" – 3"	\$12.47
Richmond Transport Inc	1. 6A Slag	\$10.20
Novak Construction	3. Pea Stone	\$11.49
	4. 60/40 Gravel	\$12.25
	8. Chloride Sand	\$14.95
	9. 2NS Sand	\$8.95
	12. Limestone 3" – 6"	\$17.25
Osburn Industries Inc	13. Limestone 4" – 8"	\$15.85

at the unit prices stated above and confirmed with unit prices contained in the bid tabulation opened March 22, 2011, copy of which shall be **ATTACHED** to the original Minutes of this meeting, with contracts expiring April 30, 2012.

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

c) Standard Purchasing Resolution 1: Award to Low Bidders: Printing/Distribution of Water and Sewer Bills

Resolution #2011-04-085-J-4c

RESOLVED, That the Troy City Council hereby **AWARDS** a one (1) year contract to provide laser printing and distribution of the City of Troy Water and Sewer Bills, with an option to renew for three (3) additional years to the low total bidder, LaserCom LLC of Troy, MI, for an



CITY COUNCIL AGENDA ITEM

March 23, 2011

TO: John Szerlag, City Manager

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

RE: Standard Purchasing Resolution 1: Award to Low Bidders – Transit Mixed Concrete

Background

On March 22, 2011, bid proposals were electronically received to furnish one-year requirements of Transit Mixed Concrete with an option to renew for one (1) additional year as required by City Charter and Code. This material is used throughout the year for repairs to sidewalks, curbs and streets. Thirty-three (33) vendors were notified of the bid opportunity via the MITN website. Three companies responded. A primary and secondary supplier is awarded contracts, in the event the primary supplier is unable to provide material or meet delivery needs, the secondary supplier is contacted. Awards are contingent upon contractors' submission of properly executed insurance certificates and all specified requirements.

Recommendation

City management recommends awarding contracts to the low bidders, McCoig Materials/Koenig Fuel & Supply of Plymouth, MI, as the primary supplier, and Superior Materials of Farmington Hills, the secondary supplier at unit prices listed in the bid tabulation opened March 22, 2011.

Fund Availability

Funds for these materials are available through the Public Works operating budgets.

Prepared by: Marina Basta-Farouk, Project Construction Manager

G:\ Bid Award 10-11 New Format\Award Standard Purchasing Resolution 1 - Transit Mixed Concrete2011.doc

Opening Date -- 3/22/11
Date Reviewed - 3/24/2011

CITY OF TROY
BID TABULATION
TRANSIT MIXED CONCRETE

sl

VENDOR NAME:

			McCoig	Superior	Paragon Ready
			Materials	Materials, LLC	Mix Inc
			PRIMARY	SECONDARY	
EST	ITEM	DESCRIPTION	UNIT PRICE	UNIT PRICE	UNIT PRICE
PROPOSAL A: WEEKDAY DELIVERY					
1	800 YDS	6 SACK MIX	\$ 70.00	\$ 71.00	\$ 74.00
2	600 YDS	7 SACK MIX (High Early)	\$ 75.00	\$ 76.00	\$ 79.00
3	200 YDS	12 HR 300 PSI MIX Flexural Strength/ 7 sack	\$ 75.00	\$ 78.00	\$ 81.00
<u>SPLIT LOAD CHARGES</u>					
4	20 TIMES	2 LOCATIONS	\$ 30.00	\$ 40.00	\$ 50.00
5	5 TIMES	3 LOCATIONS	\$ 50.00	\$ 40.00	\$ 50.00
6	30 TIMES	BELOW MINIMUM LOAD CHARGE	\$ 65.00	\$ 40.00	\$ 50.00
7	40 YDS	COLD WEATHER PROTECTION	\$ 3.50	\$ 3.50	\$ 4.00
ESTIMATED TOTAL PROPOSAL A-			\$ 118,940.00	\$ 120,340.00	\$ 125,710.00
				W/TERMS \$119,136.60	
PROPOSAL B: SATURDAY DELIVERY					
8	25 YDS	6 SACK MIX	\$ 74.00	\$ 76.00	\$ 74.00
9	100 YDS	7 SACK MIX (High Early)	\$ 79.00	\$ 81.00	\$ 79.00
10	100 YDS	12 HR 300 PSI MIX Flexural Strength/ 7 sack	\$ 79.00	\$ 83.00	\$ 81.00
<u>SPLIT LOAD CHARGES</u>					
11	5 TIMES	2 LOCATIONS	\$ 50.00	\$ 40.00	\$ 50.00
12	2 TIMES	3 LOCATIONS	\$ 75.00	\$ 40.00	\$ 50.00
13	10 TIMES	BELOW MINIMUM LOAD CHARGE	\$ 75.00	\$ 40.00	\$ 50.00
14	10 YDS	COLD WEATHER PROTECTION	\$ 3.50	\$ 3.50	\$ 4.00
ESTIMATED TOTAL PROPOSAL B -			\$ 18,835.00	\$ 19,015.00	\$ 18,740.00
				W/TERMS \$18,824.85	
ESTIMATED GRAND TOTAL--			\$ 137,775.00	\$ 139,355.00	\$ 144,450.00
				W/TERMS \$137,961.45	
UNLOADING TIME PER CUBIC YARD:			6 Minutes	6 Minutes	6 Minutes
MINIMUM LOAD:			2 c.u. (short load chrgs under 6 c.u.)	1 Yard	6 cuyd

Opening Date -- 3/22/11
 Date Reviewed - 3/24/2011

CITY OF TROY
 BID TABULATION
 TRANSIT MIXED CONCRETE

VENDOR NAME:		McCoig	Superior	Paragon Ready
		Materials	Materials, LLC	Mix Inc
		PRIMARY	SECONDARY	
HOURS OF OPERATION:		7AM-5PM	7AM-12PM Sat 7AM-5PM M-F	7AM-5PM
24 HRS PHONE NO.		(313) 368-1133	(248) 521-9948	(586) 484-6804
INSURANCE:	Can Meet	XX	XX	XX
	Cannot Meet			
	Signed Y or N	Y	Y	Y
ALL OR NONE AWARD:	Y or N	Y	Y	N
PAYMENT TERMS		None	1% 10th Net end of Month	No Discounts
WARRANTY:		Blank	Blank	Blank
EXCEPTIONS:		Mid Range Water	None	None
		Reducer &		
		Demurrage can be		
		quoted upon request		

PROPOSAL-- One-Year Requirements of Transit Mixed Concrete with an Option to Renew for One Additional Year

ATTEST:

Diane Fisher
Jeffrey Biegler
Marina Basta Farouk
Julie Hamilton

BOLDFACE TYPE DENOTES LOW TOTAL BIDDERS

 Susan Leirstein CPPO, CPPB
 Purchasing Director