

May 22, 2006

TO: John M. Lamerato, Acting City Manager

FROM: Brian Murphy, Assistant City Manager/Services
Steven J. Vandette, City Engineer

SUBJECT: **AGENDA ITEM** - Standard Purchasing Resolution #1: Award to Low Bidder
Contract 06-6 – New King, Maxwell and Stutz Paving Rehabilitation

RECOMMENDATION

It is recommended that City Council award a contract for the New King, Maxwell and Stutz Paving Rehabilitation project to John Carlo, Inc., 45000 River Ridge Road, Clinton Twp, MI 48035, for their low bid of \$283,754.90 contingent upon submission of proper proposal and bid documents, including insurance certificates, bonds and all specified requirements.

In addition, we are requesting authorization to approve a higher than normal contingency amount; 25% of the original project cost due to the nature of the rehabilitation work on these industrial roads. The work will involve surface milling or grinding of the existing road surface and repair of whatever needs repair following the grinding. The higher contingency is warranted by the unpredictability of the pavement condition following the milling operation.

BACKGROUND INFORMATION

Bids were received and publicly read on May 11, 2006. The low bidder was John Carlo, Inc., as can be seen in the attached tabulation of bids. The Engineer's estimate at the time of bidding was \$419,616. The low bid is therefore \$135,861.10 or 32.38% below the Engineer's estimate.

The work to be performed will include the milling or grinding of the concrete and asphalt sections of New King between Corporate Drive and Crooks, as well as on Stutz and Maxwell streets. After any needed repairs are made to the milled surfaces, two layers of asphalt and an inner-layer paving mat to reduce reflective cracking will be applied to the concrete sections. A single asphalt layer will be applied to the asphalt sections. All contract work is scheduled to be complete by August 31, 2006.

FUNDING

Funds for this work are included in the 2005/06 Major Roads Fund and 2006/07 Major Roads Fund as required, in Industrial Road Maintenance – 401479.7989.300. The budgeted amount includes funds for construction, inspection and contingencies.

- Bids Sent 8 - Bids Rec'd 7

BID TABULATION
NEW KING, MAXWELL & STUTZ PAVEMENT REHABILITATION
CITY OF TROY
OAKLAND COUNTY, MICHIGAN

Bids Due: May 11, 2006
Contract #06-6

	<u>TOTAL BID</u>
John Carlo, Inc.	\$283,754.90
Ajax Paving Ind., Inc.	\$329,166.81
Barrett Paving Materials	\$330,846.70
Florence Cement Co.	\$333,943.50
Cadillac Asphalt, LLC	\$338,124.00
ASIX Asphalt Paving	\$342,338.00
ABC Paving Co.	\$373,583.70

Prepared by: Steven Vandette, City Engineer