

July 31, 2006

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Services
Jeanette Bennett, Purchasing Director
Timothy L. Richnak, Public Works Director

SUBJECT: **Agenda Item:** Rescind Bid Award/Re-award Contract – Hauling and Disposal of Dirt and Debris

RECOMMENDATION

City management recommends that City Council rescind the award with prejudice to Enviro-Vac Services, Inc. of Troy, MI, for hauling and disposal of dirt and debris, Items B & C, broken asphalt and fill dirt respectively (Resolution #2006-03-153-E-4a) that was contingent upon submission of "...properly executed bid documents, including insurance certificates and all other specified requirements". Staff also recommends re-awarding the contract to the next lowest acceptable bidder, Luke's Trucking and Excavating LLC, at an estimated total cost of \$40,250.00. Luke's bid includes a fuel surcharge but their price would continue to be low and in the City's best interest until diesel fuel prices increased to over \$3.50 / gallon at which time Luke's bid would tie another bidder's price for Item C, fill dirt. Luke's Trucking and Excavating LLC - has submitted the specified insurance.

BACKGROUND

On March 27, 2006, Enviro-Vac Services, Inc. was awarded a one-year contract with the option to renew for one additional year to provide hauling and disposal of dirt and debris for broken asphalt (Item B) and fill dirt (Item C). On May 17, 2006, Enviro-Vac Services, Inc. was given written notice to provide the specified insurance within 48 hours or be held in default of contract. They failed to respond to the request. The next low bidder, Osburn Industries was contacted to haul broken asphalt but declined.

Staff is recommending rescinding the award with prejudice that will suspend Enviro-Vac Services, Inc. from being awarded City contracts for three (3) years. If they request to be readmitted after this time, Administrative Memorandum guides the process for re-entry.

BUDGET

Funds are available from the Water and Street Departments' operating budgets.

SL/sl



500 West Big Beaver
Troy, Michigan 48084
www.troymi.gov

May 17, 2006

Area code (248)

Assessing
524-3311

Bldg. Inspections
524-3344

Bldg. Maintenance
524-3368

City Clerk
524-3316

City Manager
524-3330

Community Affairs
524-1147

Engineering
524-3383

Finance
524-3411

Fire-Administration
524-3419

Human Resources
524-3339

Information Services
619-7279

Law
524-3320

Library
524-3545

Parks & Recreation
524-3484

Planning
524-3364

Police-Administration
524-3443

Public Works
524-3370

Purchasing
524-3338

Real Estate & Development
524-3498

Treasurer
524-3334

General Information
524-3300

Janine Haymond
Enviro-Vac Services, Inc.
1755 Austin Ave.
Troy, MI 48083

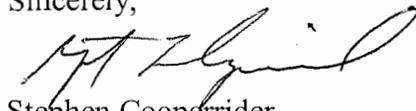
Dear Ms. Haymond:

This letter is to inform you the City of Troy has not yet received the required insurance documents from Enviro-Vac Services, Inc. per the bid specifications. We have held numerous phone conversations with you regarding the need to provide insurance based on the bid specifications after you were awarded a portion of the contract for ITB-COT 06-05 Hauling/Disposal of Dirt and Debris.

Please know this is your final notice to comply with the insurance specifications within 48 hours or Enviro-Vac Services, Inc. will be in default, and we will turn this over to our Purchasing Department.

Should you have any questions, please do not hesitate to call me at 248-526-5127.

Sincerely,


Stephen Cooperrider
Risk Manager

SC/

cc: Jeanette Bennett, Purchasing Director

Yes: All-6
 No: None
 Absent: Lambert

POSTPONED ITEMS:

D-1 No Postponed Items

CONSENT AGENDA:

E-1a Approval of "E" Items NOT Removed for Discussion

Resolution #2006-03-153
 Moved by Howrylak
 Seconded by Broomfield

RESOLVED, That all items as presented on the Consent Agenda are hereby **APPROVED** as presented with the exception of Items E-3 and E-5, which shall be considered after Consent Agenda (E) items, as printed.

Yes: All-6
 No: None
 Absent: Lambert

E-2 Approval of City Council Minutes

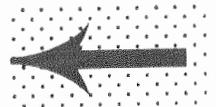
Resolution #2006-03-153-E-2

RESOLVED, That the Minutes of the 7:30 PM Regular City Council Meeting of March 20, 2006 be **APPROVED** as submitted.

E-4 Standard Purchasing Resolutions

a) Standard Purchasing Resolution 1: Award to Low Bidders – Hauling and Disposal of Dirt and Debris

Resolution #2006-03-153-E-4a



RESOLVED, That contracts to provide one-year requirements of hauling and disposal services of dirt and debris with an option to renew for one additional year are hereby **AWARDED** to the low bidders, Troy Aggregate Carriers, Inc. of Sterling Heights, MI, Enviro-Vac Services, Inc. of Troy, MI, and Osburn Industries of Taylor, MI, at unit prices contained in the bid tabulation opened February 28, 2006, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; and

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

Opening Date -- 2-28-06
 Date Prepared -- 3/10/06

CITY OF TROY
 BID TABULATION
 HAULING/DISPOSAL OF DIRT AND DEBRIS

VENDOR NAME:

TROY	ENVIRO-VAC	OSBURN
AGGREGATE	SERVICES INC	INDUSTRIES
CARRIERS INC		

ITEM	EST QTY(TONS)	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON
A.	3,000	Broken concrete with and without wire, possibly mixed	\$ 2.25	\$ 3.25	\$ 4.00
B.	1,000	Broken asphalt possibly mixed with fill dirt	\$ 5.00	\$ 3.95	\$ 4.00
C.	8,000	Fill Dirt, material excavated from water and sewer repairs, as well as ditching operation. Material may include culverts, Large Stumps, logs & wood materials	\$ 12.90	\$ 3.90	\$ 11.50
		If Clean Dirt -	\$ 4.50		
D.	2,000	Catch basin sludge and street sweepings.	\$ 12.90	\$ 29.95	\$ 12.00
ESTIMATED TOTAL AWARDED ITEMS:			\$ 6,750.00	\$ 35,150.00	\$ 24,000.00

DISPOSAL SITE:

APPROVED SITE or NOT AN APPROVED SITE

Y or N

EPA PERMIT #:

INSURANCE:

Can Meet
 Cannot Meet

SITE VISIT:

Yes/No
 Date

CONTACT INFORMATION:

Hrs of Operations
 24 Hr Phone #

EQUIPMENT LIST:

Attached/Not Attached

TERMS:

WARRANTY:

PICK-UP SCHEDULE:

EXCEPTIONS:

ACKNOWLEDGEMENT: Completed

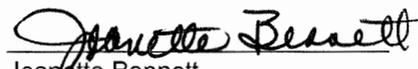
Y or N

Waste Management Pinetree	Disposal & Recycling Tech	Sauk Trail Landfill
Yes	Yes	Yes
	MIK153892922	38-2489474
XX	XX	XX
Yes	No	Yes
2/10/2006		2/14/2006
7am-7pm (810)614-6473	8am-5pm M-F (248)689-6590	6-4pm M-F (313)363-0077
No	No	No
One Year	Net 30	Net 30
Blank	Blank	Blank
AS SPECIFIED		
As Noted in	Blank	None
Unit Pricing		
Yes	Yes	Yes

ATTEST:

Emily Frontera
 Tom Rosewarne
 Debra Painter
 Linda Bockstanz

BOLDFACE TYPE DENOTES LOW BIDDERS


 Jeanette Bennett
 Purchasing Director

Opening Date -- 2-28-06
 Date Prepared -- 3/10/06

CITY OF TROY
 BID TABULATION
 HAULING/DISPOSAL OF DIRT AND DEBRIS

VENDOR NAME:

A&B	LUKE'S	J&H
TRUCKING INC	TRUCKING &	TRANSPORTATION
	EXCAVATING LLC	INC

ITEM	EST QTY(TONS)	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON
A.	3,000	Broken concrete with and without wire, possibly mixed	\$ 5.00	\$ 3.75	\$ 4.50
B.	1,000	Broken asphalt possibly mixed with fill dirt	\$ 5.00	\$ 4.25	\$ 5.00
C.	8,000	Fill Dirt, material excavated from water and sewer repairs, as well as ditching operation. Material may include culverts, Large Stumps, logs & wood materials	\$ 5.00	\$ 4.50	\$ 19.50
D.	2,000	Catch basin sludge and street sweepings.	NO BID	\$ 19.00	\$ 19.50
ESTIMATED TOTAL AWARDED ITEMS:			N/A	N/A	N/A

DISPOSAL SITE:

APPROVED SITE or NOT AN APPROVED SITE
 EPA PERMIT #:

Y or N

INSURANCE:

Can Meet
 Cannot Meet

SITE VISIT:

Yes/No
 Date

CONTACT INFORMATION:

Hrs of Operations
 24 Hr Phone #

EQUIPMENT LIST:

Attached/Not Attached

TERMS:

WARRANTY:

PICK-UP SCHEDULE:

EXCEPTIONS:

ACKNOWLEDGEMENT: Completed

Y or N

BLANK	Onyx Waste Salem Twp	Oakland Heights Development
BLANK	Yes	Yes
XX	XX	XX
No	Yes	No
Current contractor	2/16/2006	
7am-5pm M-F (810)602-4561	7am-7pm M-S (248)240-0938	7am-5pm (586)939-0840
Yes	Yes	No
Net 30	Net 30	Net 30
Blank	None	Blank
AS SPECIFIED		
None	See Addendum B	Blank
Yes	Attached to Bid Yes	Yes

NO BIDS:

HM Environmental Svcs

Opening Date -- 2-28-06
 Date Prepared -- 3/10/06

CITY OF TROY
 BID TABULATION
 HAULING/DISPOSAL OF DIRT AND DEBRIS

VENDOR NAME:

PROFESSIONAL	GIPSON	We Remove
COMMERCIAL	BROS	All Trash Corp
SERVICES INC	TRUCKING INC	

ITEM	EST QTY(TONS)	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON
A.	3,000	Broken concrete with and without wire, possibly mixed	\$ 16.05	\$ 12.00	\$ 23.00
B.	1,000	Broken asphalt possibly mixed with fill dirt	\$ 11.00	\$ 12.00	\$ 25.00
C.	8,000	Fill Dirt, material excavated from water and sewer repairs, as well as ditching operation. Material may include culverts, Large Stumps, logs & wood materials	\$ 13.75	\$ 18.00	\$ 24.00
D.	2,000	Catch basin sludge and street sweepings.	\$ 13.00	\$ 20.00	\$ 25.00
ESTIMATED TOTAL AWARDED ITEMS:			N/A	N/A	N/A

DISPOSAL SITE:

APPROVED SITE or NOT AN APPROVED SITE

Y or N

EPA PERMIT #:

INSURANCE:

Can Meet
 Cannot Meet

SITE VISIT:

Yes/No
 Date

CONTACT INFORMATION:

Hrs of Operations
 24 Hr Phone #

EQUIPMENT LIST:

Attached/Not Attached

TERMS:

WARRANTY:

PICK-UP SCHEDULE:

EXCEPTIONS:

ACKNOWLEDGEMENT: Completed

Y or N

Onyx Arbor Hills Landfill	Sauk Trail Hills	Rockwood Landfill
Yes	Yes	Yes
9082	38-2489474	MIK123832529
XX	XX	XX
Yes	No	Yes
2/23/2006		2/27/2006
8am-5pm M-F (734)231-7976	7am-3pm (313)330-3073	24 - 7 (313)387-1010
No	Yes	No
2% 10 Net 30	Net 30 Days	Net 30 Days
Blank	Contract Expiration	Blank
AS SPECIFIED		
Blank	Listed in Bid	Blank
Yes	Yes	Yes

PROPOSAL:

One (1) Year Requirements of Hauling and Disposal of Dirt and Debris with an Option to Renew for One (1) Additional Year