



CITY COUNCIL ACTION REPORT

March 14, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
Susan A. Leirstein, Purchasing Director
Timothy L. Richnak, Public Works Director

SUBJECT: Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Asphalt Patching Material

Background

- On March 6, 2007, bid proposals were received and opened to furnish one-year requirements of Asphalt Patching Material.
- 31 Vendors were notified of the bid opportunity via the MITN system with two (2) bidders responding.
- Barrett Paving Materials, Inc. bid an alternate item, CP6, that does not meet the current Michigan Department of State Highways Standard Specifications as listed in the bid proposal.
- Proposals submitted for Item 2, QPR/UPM – Picked up, were rejected because the cost savings gained by awarding the apparent low bidder, Saginaw Asphalt Paving Co., would be offset by transportation and fuel costs traveling to their plant in Saginaw.
- In times of emergencies, material will be picked up on an as needed basis utilizing the informal three-quote process.

Financial Consideration

- Funds are available through the Public Works operating budgets for Streets and Water Divisions, as monies clear through the balance sheet Inventory Accounts for Asphalt.

Legal Considerations

- ITB-COT 07-02, to furnish one-year requirements of Asphalt Patching Material was competitively bid and opened with two vendors responding.
- The award is contingent upon contractor's submission of proper insurance certificates, and all specified requirements.

Policy Considerations

- All bidders were given the opportunity to respond with their level of interest in supply asphalt patching material to the City of Troy. (Goal II).
- QPR/UPM material is used in the general patching and maintenance of major and local roads and drains. (Goal I & V)

Options

- City management recommends awarding a contract for Item 1, QPR/UPM – Delivered to the lowest bidder meeting specifications, Saginaw Asphalt Paving Co. of Saginaw, MI for an estimated total cost of \$17,365.00. In addition, staff recommends rejecting Item 2, QPR/UPM - Picked up.

Opening Date -- 3/6/07
 Date Prepared -- 3/14/07

CITY OF TROY
 BID TABULATION
 ASPHALT PATCHING MATERIAL

VENDOR NAME:			** Saginaw Asphalt Paving Company	Barrett Paving Materials, Inc.	
ITEM #	EST QTY (TONS)	DESCRIPTION	Price/Ton	Price/Ton	
1	250	QPR/UPM or Approved Alternate Standard Train Load	\$ 69.46 50 /tons	\$ 83.00 50 /tons	
2.	50	QPR/UPM or Approved Alternate Picked up as needed	** RECOMMEND REJECTION ITEM #2 \$ 62.50	\$ 83.00	**
ESTIMATED TOTAL FOR ITEM(S) BEING AWARDED:			\$ 17,365.00	N/A	
HOURS OF OPERATION:			8:00 to 5:00	7:00 to 3:30	
Notice of Delivery:			24 Hrs	24 Hrs	
For Saturdays:			N/A	Call	
PROXIMITY: Location--			Saginaw	Mt. Clemens	
Miles--			87 Miles		
INSURANCE: Can Meet			XX	XX	
Cannot Meet					
TERMS:			Net 30	Net 30 Days	
WARRANTY:			Blank	Blank	
DELIVERY: (Item 1)			1 -2 Days	Blank	
EXCEPTIONS:			Blank	Blank	
ACKNOWLEDGEMENT: Y or N			Yes	Yes	

DMS:
 Barrett Paving - Alternate Bid - (\$16,625) Reason: CP6 does not meet current MDOT specifications

ATTEST: PROPOSAL - One (1) Year Requirements of Asphalt Patching Material

Cheryl Stewart
Emily Frontera
Thomas Rosewarne
Linda Bockstanz

**** DENOTES LOWEST ACCEPTABLE BIDDER**

Susan Leirstein CPPB
 Purchasing Director