



CITY COUNCIL ACTION REPORT

June 28, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Asst. City Manger/Economic Development Services
Steven J. Vandette, City Engineer *SJV*

SUBJECT: Standard Purchasing Resolution #1: Award to Low Bidder
Contract 07-4 – Charnwood Hills Phase I Chip Seal

Background:

- Bids were received and publicly read on June 28, 2007. The low bid of \$147,176 was submitted by Pavement Recycling, Inc., 210 S. Blacks Corners Rd., Imlay City, MI 48444, as shown on the attached tabulation of bids.
- The Engineer's estimate at the time of bidding was \$164,720. The low bid is \$17,544 or 10.6% below the Engineer's estimate.
- The work to be performed includes 24,400 square yards of double chip seal treatment, road base crushing and shaping and additional aggregate base as need to properly profile the roadways prior to chip seal treatment. Due to significant variations in the profile of the existing pavement, caused by the sewer work and age of the existing chip seal, a contingency of 25% for re-profiling the existing roadways is appropriate.
- The existing chip seal roads were temporarily restored with gravel and asphalt patching after the Phase I sanitary sewer work was completed late last year. Residents had an opportunity early this year at an information meeting to consider a special assessment for asphalt paving. Residents in Phase I did not petition for asphalt following the meeting, therefore; these roads are being restored with a double chip seal treatment.
- All chip seal work is scheduled to begin by early August and be complete, including restoration, by the end of September 2007.

Financial Considerations:

- Funds for this work are included in the 2007/08 Sewer Fund account number 535.7973.044031. The budgeted amount includes funds for engineering, construction, inspection and contingencies.

Legal Considerations:

- Work was competitively bid and publicly opened with two (2) bidders responding.

- Award is contingent upon submission of proper proposal and bid documents, including insurance certificates, bonds and all specified requirements.

Policy Considerations:

- Enhance the livability and safety of the community (Goal I)
- Retain and attract investment while encouraging redevelopment (Goal III)
- Maintain relevance of public infrastructure to meet changing public needs (Goal V)

Options:

- It is recommended that City Council award a contract for the Charnwood Hills Phase I Chip Seal project to Pavement Recycling, Inc., 210 S. Blacks Corners Rd., Imlay City, MI 48444, for their low bid amount of \$147,176. In addition, we are requesting authorization to approve additional work, if needed, not to exceed 25% of the original project cost.

BID TABULATION
 CHARNWOOD HILLS PHASE I CHIP SEAL
 CITY OF TROY
 OAKLAND COUNTY, MICHIGAN

Contractor #1
 Pavement Recycling Inc
 210 S. Blacks Corners Rd.
 Imlay City, MI 48444

Contractor #2
 Highway Maintenance
 P.O.Box 74411
 Romulus, MI 48174-0411

Item	Quantity	Unit Price	Total Cost	Unit Price	Total Cost
1. Base Crushing and Shaping	24400 SYD	\$2.59	\$63,196.00	\$2.65	\$64,660.00
2. Seal, Double Chip w/Natural Aggregate	24400 SYD	\$3.08	\$75,152.00	\$2.97	\$72,468.00
3. Aggregate Base	20 TON	\$50.00	\$1,000.00	\$80.00	\$1,600.00
4. Soil Erosion Control	0 INCD	\$0.00	\$0.00	\$0.00	\$0.00
5. Maintaining Traffic	1 LSUM	\$11,000.00	\$11,000.00	\$14,300.00	\$14,300.00
6. Restoration	0 INCD	\$0.00	\$0.00	\$0.00	\$0.00
Total Amount of Bid -			\$150,348.00		\$153,028.00
<u>Alternate 1</u>					
Seal, Double Chip w/Slag Aggregate	24400 SYD	\$2.95	\$71,980.00	\$2.84	\$69,296.00
Total Amount of Bid w/Alternate 1 -			\$147,176.00		\$149,856.00

We do hereby certify that this is a true and correct tabulation of the bids received for this project.


 Steven J. Vandette, P.E., City Engineer
 City of Troy