

CITY COUNCIL ACTION REPORT



July 5, 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

RE: Bid Waiver – Pavement Seam and Fracture Sealing Program –

Background

- On October 18, 2004, Troy City Council approved a contract for the Pavement Seam and Fracture Sealing Program with an option to renew for two (2) additional one-year periods, to the low bidder, Scodeller Construction, Inc. at unit prices contained in the bid tabulation opened September 29, 2004. {Resolution # 2004-10-546-E7}.
- The options to renew were exercised in September of 2005 and 2006. {Resolutions 2005-09-416-E4e and 2006-09-367-E4e respectively}
- The current contract expired June 30, 2007.
- Scodeller Construction, Inc has agreed to amend the construction quantities under the same prices, terms, and conditions as 2004.
- Scodeller Construction, Inc has been producing a quality product for the City.
- A favorable market survey was conducted by the Purchasing Department and determined the City would not benefit from soliciting additional sealed bids.

Financial Considerations

- Funds for this project are available in the 2007/08 Capital Accounts for Public Works Construction.
- Major Roads, Account #401479.7989.200 (\$100,000.00)
- Local Roads, Account #401499.7989.120 (\$400,000.00)

Legal Considerations

- The pavement seam and fracture-sealing program was competitively bid and vendors were given an opportunity to respond with their level of interest in 2004.
- Formal bidding procedures are waived, as no benefit would be derived from soliciting additional sealed bids.

July 5, 2007

To: Phillip L. Nelson, City Manager

Re Bid Waiver – Pavement Seam and Fracture Sealing Program

Policy Considerations

- Pavement seam and fracture sealing preserves infrastructure and would improve public safety and also reduce liability for the City. (Goal I & V)

Options

- City management and the Public Works Department are requesting a waiver of the formal bid process and authorization to establish a new contract with Scodeller Construction of Wixom, MI, for the pavement seam and fracture-sealing program under the same prices, terms and conditions as detailed on the attached bid tabulation for ITB-COT 04-40 to expire June 30, 2008.

June 22, 2007

TO: Susan A. Leirstein
Purchasing Director

FROM: Linda N. Bockstanz
Associate Buyer

RE: MARKET SURVEY – PAVEMENT SEAM & FRACTURE SEALING

MICHIGAN JOINT SEALING ,INC – Jerry (248) 476-4120

According to Jerry, all prices will be the same for pavement sealing materials. Work is slow and there is need for work. Even though fuel costs are high, he is going to keep the prices the same so he can get work. As for new products coming out, he has not heard of any for this year.

Based upon the above comments, I respectfully recommend that the City accept the offer to extend the contract for Pavement Seam and Fracture Sealing to Scodeller Construction because their labor/material costs are \$50,000.00 lower than their closest competitor, Michigan Joint Sealing, who made no indication that they are willing to reduce costs any further.

CC: File

June 1, 2007

Ms. Susan Leirstein
Purchasing Department
City of Troy
500 West Big Beaver
Troy, MI 48084

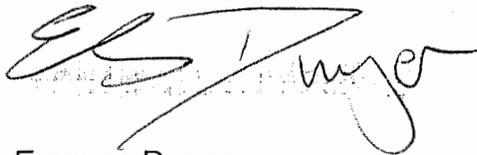
Dear Ms. Leirstein,

Re: Pavement Seam and Fracture Sealing Program
Order No. 20600251 000 OP

Within the next few days we will complete the work under our current contract. I think all involved would agree that it has been an exceptionally successful contract for all parties. Scodeller Construction benefits from having a firm order to assist in continuity of operations. The City of Troy has obtained a competitively priced service with exceptional performance in terms of workmanship, speed of delivery, and minimal impact to residents.

We request that you consider extension of our contract into 2008. All the current prices, terms, and conditions would apply.

Sincerely,



Eamonn Dwyer
248 374 1102 ext. 108

cc; Marina Basta-Farouk
06-222

JUN 4 07 11:37A

E-2 Approval of City Council Minutes

Resolution #2006-09-367-E-2

RESOLVED, That the Minutes of the 7:30 PM Regular City Council Meeting of September 11, 2006 be **APPROVED** as submitted.

E-3 Proposed City of Troy Proclamation(s): None Submitted

E-4 Standard Purchasing Resolutions**a) Standard Purchasing Resolution 1: Award to Low Bidder – Outdoor Lighting Maintenance Contract**

Resolution #2006-09-367-E-4a

RESOLVED, That a contract to furnish all labor, tools, equipment, transportation services, and traffic controls to provide two-year requirements of street, parking lot, and athletic field light maintenance and repair with an option to renew for one (1) additional year is hereby **AWARDED** to the low bidder, Allied Signs, Inc., of Clinton Township, at unit prices and discounts contained in the bid tabulation opened August 23, 2006, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; and

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

c) Standard Purchasing Resolution 5: Approval to Expend Budgeted Funds – Common Ground

Resolution #2006-09-367-E-4c

RESOLVED, That approval to expend funds budgeted in the 2006/2007 fiscal year to Common Ground to provide community service programs to the residents of the City of Troy in the amount of \$2,100.00 is hereby **APPROVED**, and the Mayor and City Clerk are **AUTHORIZED TO EXECUTE** the agreement, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

e) Standard Purchasing Resolution 3: Exercise Renewal Option – Pavement Seam and Fracture Sealing Program

Resolution #2006-09-367-E-4e

WHEREAS, On October 18, 2004, a contract to provide for a Pavement Seam and Fracture Sealing Program with an option to renew for two (2) additional one-year periods was awarded to the low bidder, Scodeller Construction, Inc., of South Lyon, MI, for an estimated cost of \$657,500.00; and if changes in the quantity of work were required, either additive or deductive,

such changes were authorized in an amount not to exceed 25% of the contract total per year (Resolution #2004-10-546-E7);

WHEREAS, On September 12, 2005, the first of two (2) one-year options to renew the contract under the same prices, terms, and conditions was approved and expired June 30, 2006 (Resolution #2005-09-416-E4e); and

WHEREAS, Scodeller Construction, Inc., has agreed to exercise the second one-year option to renew under the same prices, terms, and conditions as the 2004 season;

THEREFORE, BE IT RESOLVED, That the option to renew the contract is hereby **EXERCISED** with Scodeller Construction, Inc., to provide a pavement seam and fracture-sealing program within the City of Troy for an estimated cost of \$500,000.00, at unit prices contained on the bid tabulation opened September 29, 2004, a copy of which shall be **ATTACHED** to the original Minutes of this meeting with the contract expiring June 30, 2007; and

BE IT FINALLY RESOLVED, If changes in the quantity of work are required either additive or deductive, such changes are **AUTHORIZED** in an amount not to exceed 25% of the total contract cost or \$125,000.00 and within budgetary limitations.

E-5 Rescind Partial Bid Award/Re-Award Contract – Janitorial Services

Resolution #2006-09-367-E-5

WHEREAS, On August 1, 2005, Troy City Council exercised and approved the option to renew the janitorial services contract for two (2) additional years with Road Runr Maintenance, American Cleaning, Elite Maintenance, and This is It! Quality Cleaning under the same contract terms and conditions expiring October 30, 2007 (Resolution # 2005-08-375-E-4a); and

WHEREAS, Elite Maintenance has defaulted on the contract due to their exodus from the State of Michigan;

THEREFORE, BE IT RESOLVED, That the contract to provide janitorial services for Groups 2 and 4, the DPW facilities and Fire halls, be **RESCINDED** with prejudice from Elite Maintenance, and **RE-AWARDED** to the next lowest acceptable bidders, American Cleaning of Macomb Township, MI and Road Runr Maintenance of Pontiac, MI, at unit prices contained in the bid tabulation opened September 23, 2003, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with the contract expiring October 30, 2007.

E-6 Application for Transfer of Class C-SDM License for Ruth's Chris Steak House

(a) New License

Resolution #2006-09-367-E-6a

RESOLVED, That the request from R.C.S.H. Operations, L.L.C. (A Louisiana Limited Liability Company), to transfer ownership of 2006 Class C-SDM licensed business with dance permit, located at 755 W. Big Beaver, Troy, MI 48084, Oakland County, from Prime Steak-Troy, L.L.C. (A Louisiana Limited Liability Company), be **CONSIDERED** for **APPROVAL**; and

Opening Date -- 9-29-04
 Date Prepared -- 10/7/04

CITY OF TROY ITB-COT 04-40
 BID TABULATION
 PAVEMENT SEAM & FRACTURE SEALING

VENDOR NAME:

* SCODELLER CONSTRUCTION	MICHIGAN JOINT SEALING
INC	INC
Ck Number 233619886	649171894
Ck Amount \$2,500.00	\$2,500.00

Proposal: City of Troy Pavement Seam & Fracture Sealing Program with an Option to Renew for Two (2) Additional One-Year Periods						
ITEM	DESCRIPTION	Estimated Quantities	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
1	Pavement Seam & Fracture Sealing for Major Roads - Labor	350,000 L.F.	\$ 0.665	\$ 232,750.00	\$ 0.67	\$ 234,500.00
2	Pavement Seam & Fracture Sealing for Local Roads - Labor	500,000 L.F.	\$ 0.635	\$ 317,500.00	\$ 0.70	\$ 350,000.00
3	Pavement Seam & Fracture Sealing for Material for Major and Local Roads	275,000 LBS.	\$ 0.39	\$ 107,250.00	\$ 0.45	\$ 123,750.00
4	Traffic Control	Included	-----	Included	-----	Included
ESTIMATED GRAND TOTAL				* \$ 657,500.00		\$ 708,250.00

INSURANCE:	Can meet	XX	XX
	Cannot Meet		
CONTACT INFORMATION:	Hrs of Operation	7AM-7PM	7AM-4PM
	Contact Number	(248)787-1139	(248)476-4120
PROGRESS PAYMENTS:	Y or N	Yes, Bi-Weekly	Upon Completion
COMPLETION SCHEDULE:	Can Meet	XX	XX
	Cannot Meet		
First Year by June 30, 2005			
TERMS:		NET 30	NET 30
WARRANTY:		1 YEAR	1 YEAR
EXCEPTIONS:		BLANK	BLANK
ACKNOWLEDGEMENT:	Y or N	YES	YES
VENDOR QUESTIONNAIRE:	Y or N	YES	YES
LEGAL STATUS OF BIDDER	Y or N	YES	YES
NON-COLLUSION AFFIDAVIT	Y or N	YES	YES

ATTEST:
 MaryAnn Hays
 Marina Basta-Farouk
 Tom Rosewarne
 Linda Bockstanz

* DENOTES LOW BIDDER

Jeanette Bennett
 Purchasing Director