



# CITY COUNCIL AGENDA ITEM

Date: January 6, 2015

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager  
 Mark Miller, Director of Economic and Community Development  
 Steven J. Vandette, City Engineer  
 Larysa Figol, Sr. Right of Way Representative

Subject: Standard Purchasing Resolution 8: Best Value Award – Sale of Real Estate – Donaldson at South Boulevard

**History**

- On April 7, 2014, City Council authorized the Engineering Department, in cooperation with the Purchasing Department, to advertise and bid the sale of surplus property identified as Donaldson at South Boulevard, #88-20-03-126-006, also known as Parcel A (CC Resolution #2014-04-039).
- An appraisal prepared by R.S. Thomas & Associates, Inc. - Harold Blake Co. established a market value of \$55,000.00.
- The minimum bid amount for the property was set at \$55,000.00.
- The Michigan Department of Natural Resources conveyed title to the property located on Donaldson south of South Boulevard to the City of Troy in 1984. The property was originally forfeited for non-payment of taxes.

**Purchasing**

- On December 18, 2014, a bid opening was conducted as required by City Charter and Code for the sale of property at Donaldson at South Boulevard.
- One hundred and eleven (111) prospective buyers were notified of the bid opportunity on the Michigan Inter-governmental Trade Network (MITN) website; [www.mitn.info](http://www.mitn.info).
- Notice of the property sale was published in the Troy-Somerset Gazette. Additionally, a sign was erected on the property advertising the sale and all parties who made previous personal inquiries to the Engineering department staff were contacted with sale details.
- Two (2) bid responses were received. Below is a detailed vendor summary:

<b>Companies notified via MITN</b>	111
Troy Companies notified via MITN	6
Troy Companies notified - Active email Notification	5
Troy Companies notified - Active non-paying	1
<b>Companies that viewed the bid</b>	25
Troy Companies that viewed the bid	6

***MITN** provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.*

**Active MITN** members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.

**Active MITN non-paying members** are responsible to monitor and check the MITN website for opportunities to do business with the City.

**Inactive MITN member** status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.

- Also note that the City reserves the right to award the bid to the highest responsible purchaser meeting specifications, or in whatever manner is deemed to be in the City’s best interest; to reject the highest bid that has major deviations from the specifications, to accept a lower bid that has only minor deviations.



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### **Financial**

- The highest bid received was from Janan Zaitouna for \$107,500.00.
- The next bid was in the amount of \$66,112. There were no exceptions included in the purchase of the property in either of the two bids.
- All necessary funds for title work and recording fees will be taken from the proceeds of this sale.
- Sale of this City-owned surplus property will return the parcel to the tax roll and bring additional revenues.
- Monies received from the sale of this property have no restrictions for use and will be returned to the General Fund.

### **Options**

City Council has the option to award this sale to any of the two bidders.

### **Recommendation**

City management recommends awarding the sale of the property to the highest bidder, Janan Zaitouna for the bid amount of \$107,500.00.

Opening Date -- 12/18/2014  
 Date Prepared -- 12/19/2014

PURCHASER'S NAME:		<b>Janan Zaitouna</b>	RMG Investments, LLC	
		Troy, MI	Troy, MI	
<b>REAL ESTATE SALE</b>				
DESCRIPTION Parcel ID# 88-20-03-126-006				
Property at Donaldson South of South Blvd. Sec. 3	Offer:	<b>\$107,500.00</b>	\$66,112.00	
<b>Minimum Bid \$55,000.00</b>				
	Check #	808014	2010292930	
Size: 104 x 400 ft.	(10% of offer)	\$10,750.00	\$6,611.20	
SIGNATURE PAGE:	Attached	Y	Y	
TERMS:		as stated	as stated	
EMAIL ADDRESS:		<a href="mailto:unitedtextilesllc@yahoo.com">unitedtextilesllc@yahoo.com</a>	<a href="mailto:gosselin@mich.com">gosselin@mich.com</a>	
FORMS: (4)	Attached	Y	Y	
EXCEPTIONS:		blank	none	
ACKNOWLEDGEMENT:	Yes or No	Y or N		
		Y	Y	

**BOLDFACE TYPE DENOTES HIGHEST TOTAL ACCEPTABLE OFFER.**

PROPOSAL: Sale of Real Estate located at Donaldson South of South Blvd. Section 3

ATTEST:  
 \_\_\_\_\_  
 Sara Teets  
 \_\_\_\_\_  
 Susan Riesterer  
 \_\_\_\_\_

\_\_\_\_\_  
 MaryBeth Murz  
 Purchasing Manager

# Remnant Parcel: 88-20-03-126-006



## Parcel A Notes

0.95 acres

Reserve easement  
for utilities

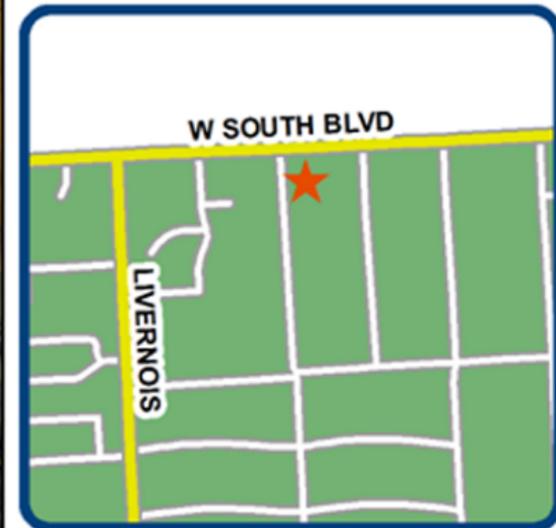
Right-of-Way  
north of parcel

Tax Reversion

Buildable

## Zoning

One Family  
Residential  
(R-1B)



South Blvd.  
(66' Wide)

Section Line

72.97  
S01° 58'15"E

88-20-03-126-002

Utica Road  
(50' Wide)

N88° 35'00"E

104.00

5' Sidewalk Easement

S01° 58'15"E

88-20-03-126-006

S01° 58'15"E

Donaldson Road  
(50' Wide)

50' Wide  
Watermain  
Easement  
(L. 6277, P. 335)

400.00

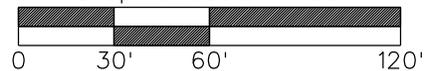
Lot 1  
"Bassett & Smith  
Flowing Spring Acres"  
(L. 37, P. 9)

400.00

N88° 35'00"E  
104.00



Graphic Scale: 1"=60'



**CITY OF TROY**

OAKLAND COUNTY, MICHIGAN

Exhibit of #6972 Donaldson  
Remnant Parcel A  
#88-20-03-126-006

FILE: 88-20-03-126-006.DGN

SCALE	DRAWN BY	NAME GJBIII	DATE 07-29-14
HOR. 1"=60'	CHECKED BY	NAME	DATE XX-XX-XX
VER. 1"=X'		SHEET NO.	JOB NO.
	STEVEN J. VANDETTE, P.E.	10F 2	N/A
	CITY ENGINEER		

DATE REV.

CONTRACT NO.

N/A

Document Prepared By  
George J. Ballard III, P.S.  
Land Surveyor