



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 – Livernois Road, South of Paragon

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 Livernois Road, south of Paragon, #88-20-16-476-028, also known as Parcel D-2 (CC Resolution #2014-04-43).
- An appraisal prepared by R.S. Thomas & Associates, Inc. - Harold Blake Co. established a market value of \$45,000.00.
- The minimum bid amount for the property was set at \$45,000.00.
- The property located at Livernois Road, south of Paragon was acquired in 2001 as part of the Livernois Road Improvement project.

Purchasing

- On December 18, 2014, a bid opening was conducted as required by City Charter and Code for the sale of property at Livernois Road, South of Paragon.
- One hundred and five (105) vendors were notified of the bid opportunity on the Michigan Inter-governmental Trade Network (MITN) website; 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.
- Three (3) bid responses were received. Below is a detailed vendor summary:

Companies notified via MITN	105
Troy Companies notified via MITN	4
Troy Companies notified - Active email Notification	4
Troy Companies notified - Active non-paying	0
Companies that viewed the bid	17
Troy Companies that viewed the bid	4

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.

Purchasing - continued

- 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.



CITY COUNCIL AGENDA ITEM

Financial

- The highest bid received was from Kristel Group, Inc. for \$55,000.00. The next bids were in the amounts of \$50,000 and \$45,300; respectively.
- Kristel Group, Inc. had an exception that stated “Our bid for this property is only good if our bid for ITB-COT 14-46 D-1 vacant Paragon is also accepted. We are interested to purchase both lots or none at all.” Kristel Group, Inc. also submitted an offer for ITB-COT 14-46 and was the highest offer.
- 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.
- This parcel was acquired with Federal funds, thus any monies received from this sale will be set aside to fund another federally funded transportation project in the City of Troy as dictated by Federal Regulations.

Options

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

Recommendation

City management recommends awarding the sale of the property to the highest bidder, Kristel Group, Inc. for the bid amount of \$55,000.00.

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

CITY OF TROY
 BID TABULATION
 SALE of PROPERTY - LIVERNOIS RD. SOUTH OF PARAGON
 SECTION 16.

ITB-COT 14-43
 Page 1 of 1

PURCHASER'S NAME:		Kristel Group, Inc.	Jozef Olszewski	Vital Anne
		Clawson, MI	Troy, MI	Troy, MI
REAL ESTATE SALE				
DESCRIPTION Tax ID# 88-20-16-476-028				
Property at Livernois Rd South of South Blvd. Sec. 16				
	Offer:	\$55,000.00	\$50,000.00	\$45,300.00
Minimum Bid \$45,000.00				
	Check #	24183679	111253	854806
Size: 96.65 X 187 +/-ft.	(10% of offer)	\$5,500.00	\$5,000.00	\$4,530.00
SIGNATURE PAGE:	Attached	Y	Y	Y
TERMS:		as stated	as stated	as stated
EMAIL ADDRESS:		ben@kristelgroup.com	blank	blank
FORMS: (4)	Attached	Y	3 - "Iran linked" is blank	Y
EXCEPTIONS:		Our bid for this property is only good if our bid for ITB-COT 14-46 D-1 vacant Paragon is also accepted. We are interested to purchase both lots or none at all.	blank	blank
ACKNOWLEDGEMENT:	Y or N	Y	Y	Y

BOLDFACE TYPE DENOTES HIGHEST TOTAL ACCEPTABLE OFFER.

PROPOSAL: Sale of Real Estate located at LivernoisRd. South of Paragon Section 3

ATTEST:

 Sara Teets

 Susan Riesterer

 MaryBeth Murz,
 Purchasing Manager

Remnant Parcel: 88-20-16-476-028



Parcel D-2 Notes

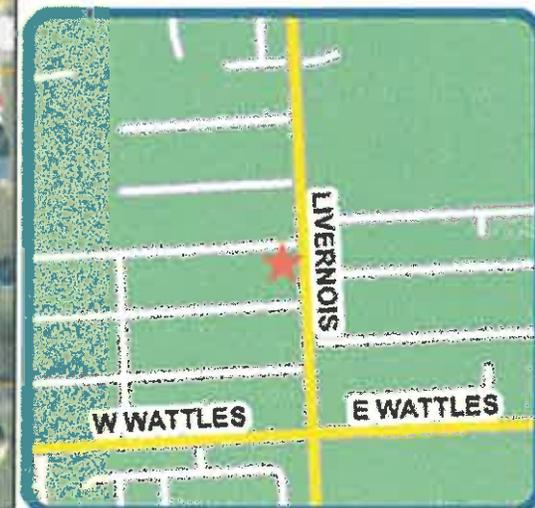
0.42 acres

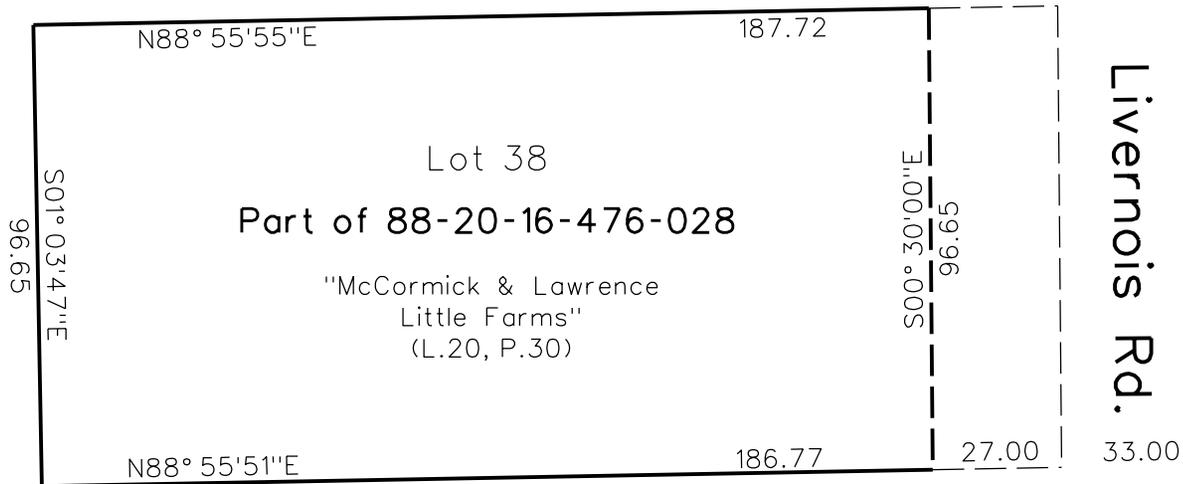
Buildable

Transportation

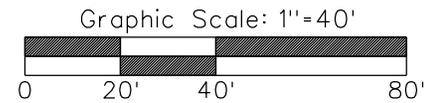
Zoning

One Family Residential
(R-1B)





Livernois Rd.



<p style="text-align: center;">CITY OF TROY OAKLAND COUNTY, MICHIGAN</p> <p style="text-align: center;">Exhibit of Remnant Parcel D-2 Part of 88-20-16-476-028</p>							
				FILE: 88-20-16-476-028_Parcel D-2.DGN			
DATE	REV.	SCALE	DRAWN BY	NAME	GJBIII	DATE	07-30-14
		HOR. 1"=40'	CHECKED BY	NAME		DATE XX-XX-XX	
Document Prepared By George J. Ballard III, P.S. Land Surveyor		CONTRACT NO. N/A		VER. 1"=X'		SHEET NO.	
				STEVEN J. VANDETTE, P.E. CITY ENGINEER		JOB NO.	
						10F2	
						N/A	