FROM THE OFFICE OF THE CITY MANAGER

July 25, 2016

To: Mayor and City Council Members

From: Brian Kischnick, City Manager

Subject: City Council Member Questions and Responses

I have discussed questions advanced by Mayor and Council with Staff, and responses are attached. Thank you for asking questions in advance of the meeting.

Questions from Council Member Edna Abrahim:

Subject: J-04A SPR1 AWARD TO LOW BIDDER - CONTRACT 16-8 WATTLES CULVERT AT THE ROUGE RIVER

1. What accounts for the difference between the engineer's estimate and the bids?

Response:
Contractor bids are typically based on availability, scope of work and time frame in which the work is to be done. This is a specialized type of work and it may be that one contractor was "hungrier" or looking for work and submitted the lower bid. An engineer's estimate is based on what we know of the items of work and what we anticipate contractors will charge for the work.

2. Why was 25% chosen for the contingency?

Response:
There are some unknowns with this work and project as we are dealing with two large culverts, the Rouge River, flow diversion, etc. so there is the probability that we may run into some unaccounted for issues during the course of the work. The contingency is there to provide a reasonable amount for extra work should it become necessary.

By Steve: I set the contingency at 25% because of the risk factor. We don't know what we will encounter when sediment is excavated from the bottom of the culverts or encounter when the flow diversion is done (twice) or what complications might arise while placing the structural liner. For example, during the Wattles sewer project, not far from the culverts, a peculiar soil type was encountered that caused several weeks delay, a $90k claim by the contractor and a realignment of the sewer to avoid that soil.

3. Is "original project cost" the original estimate, making the contingency amount up to $62,500? Or is "original project cost" the cost of the low bid, making the contingency amount up to $50K?

Response:
By Steve: The contingency amount is 25% of the low bid, so the contingency for this project is about $50k.

Subject: J-04D SPR2 TRAFFIC CONTROL SIGNS AND POSTS

1. Understand that funds are available, but were they budgeted?

Response:
Sings and posts are budgeted in the Major, County, and Local Road business units under Signs-Material and Supplies.
Current budgets are;
Major Roads- $30k
County Roads- $5k
Local Roads- $25k

Subject: J-07 BID WAIVER SPR3 - CONTRACT 16-9 2017-2018 JOINT AND CRACK SEALING PROGRAMS

1. What was the breadth of the market study? Were there other bids looked at besides the 2 from Warren?

Response:
By Steve: The number of communities surveyed is limited to those that recently bid the work the same way that Troy does. We bid it by the foot for cleaning and sealing joints. Some communities bid the cleaning by the foot and sealing by the pound of joint material. This type of bid is not comparable to ours.

2. Why was 15% chosen for the contingency?

Response:
By Steve: Base contingency is 10%. I set higher contingencies proportional the amount of risk of the unknown with the type of work being done. Underground work typically has the highest risk. I set the joint seal contingency a little higher because the quantity of work is measured daily as the work is being done, up to the funds budgeted. Contingency comes into play when it's needed to complete a street or area, rather than stop short.

Subject: J-08 BUDGET AMENDMENT AND SPR4 - MIDEAL SERVICE BODY WITH UNDERBODY PTO AIR COMPRESSOR AND GENERATOR

1. Is the budget transfer requested for the full $100K from the previous budget year or for only the amount to cover the purchase?

Response:
The budget amendment will only be for the total cost of the service body which is currently estimated at $42k.

Subject: P-02B PETITION SUBMITTED BY WATTLES SQUARE SUBDIVISION

1. Any estimated timeframe on when staff may be getting back to Mr. Colossi on bid and his neighbors' concerns?

Response:
The response below will be sent today:

Dear Mr. Colussi;

Thank you for the email.

I understand your concerns regarding the proposed Estates at Willowbrook single family development located near your home. Please keep in mind that Dexter was approved and constructed as a stub road with the intent to be extended and connected to John R Road. The City of Troy Planning and Engineering Departments generally support the interconnectivity of residential streets. The Estates at Willowbrook met all applicable standards and will be designed and constructed so that it is consistent with public health, safety and welfare.

The authority for granting Preliminary Site Plan Approval in Troy lies with the Planning Commission. Administrative decisions of the Planning Commission may be appealed to the Zoning Board of Appeals, but only by a person with a property interest and standing. I do not believe that you would not have property interest and standing but I would defer to an Attorney on this matter. I encourage you to discuss this matter with your Attorney or with City Attorney Lori Grigg Bluhm at 248.524.3323. Her email is BluhmLG@troymi.gov.

Your efforts to circulate and submit the survey are appreciated. Your survey sends a clear message to City Council that many Troy residents are dissatisfied with interconnectivity of neighborhoods, at least in this case. City Council can consider the survey results and if they desire, can direct the Planning Commission to consider a text amendment to address this issue moving forward.

As for your concern regarding decreased property values I would encourage you to contact the City Assessor Nino Licari for a response. His phone number is 248.524.3305 and his email is Nino.Licari@troymi.gov.

R. Brent Savidant | Planning Director
City of Troy |500 W. Big Beaver, Troy, MI 48084 | Office: 248.524.3364 |Cell: 248.943.0821
troymi.gov

"We believe a strong community embraces diversity, promotes innovation, and encourages collaboration. We strive to lead by example within the region. We do this because we want everyone to choose Troy as their community for life. We believe in doing government the best."

c: Mark Miller, Director of Economic and Community Development
Tom Darling, Financial Services Director
Lori Grigg Bluhm, City Attorney
Table

BK/bt\Agenda\2016\07.25.16 – Council Questions and Responses