



CITY COUNCIL ACTION REPORT

February 26, 2008

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance and Administration
Susan A. Leirstein, Purchasing Director
Carol K. Anderson, Parks and Recreation Director

SUBJECT: Standard Purchasing Resolution 1: Award to Low Bidder-Aboveground Fuel Storage – Sanctuary Lake Golf Course

Background

- Bids were received and publicly read on February 11, 2008, for supplying all labor, materials, and equipment to install aboveground fuel storage capabilities for Sanctuary Lake Golf Course.
- 45 vendors were notified via the Michigan Intergovernmental Trade Network (MITN) system. Two (2) vendors returned bids. One vendor, R. W. Mercer Company, 2322 Brooklyn Road, Jackson, MI 49203 submitted the lowest total bid of \$39,975.00.
- Since the bids were opened, an unknown state requirement was discovered. In order for the project to proceed, a remote bottom fill system must be installed at an additional cost of \$5,600.00. The total estimated cost of the project is \$45,575.00 including the additional cost, and is still less than the second bidder.

Financial Considerations

- Funds for the aboveground fuel storage installation project will be available in the Sanctuary Lake capital account #888.7974.130

Legal Considerations

- ITB-COT 07-47 Aboveground Fuel Storage Tank was competitively bid as required by Chapter 7 of the City Code.
- All bidders were given the opportunity to respond with their level of interest in supplying all labor, materials, and equipment to install one (1) aboveground fuel storage tank at Sanctuary Lake Golf Course.
- Award is contingent upon contractor's submission of proper insurance, bonds, and any other specified requirements.

February 26, 2008

To: Phillip L. Nelson, City Manager
Re: Bid Award – Aboveground Fuel Storage Tank

Policy Considerations

- Replacing the temporary fuel storage with a permanent aboveground fuel storage tank will provide the staff and public a safe, more attractive site (Goal I).
- Increasing fuel storage capacities will free up staff to concentrate on other areas of golf operations (Goal II).
- Aboveground fuel storage will now comply with all Federal, State, and Municipal Rules and Regulations (Goal V).

Options

- City management and the Golf Division of the Parks and Recreation department recommend awarding a contract to provide and install one (1) aboveground fuel storage tank at Sanctuary Lake Maintenance Facility to the lowest bidder, R.W. Mercer Company of Jackson, MI for an estimated total cost of \$45,575.00 at prices contained in the bid tabulation opened February 11, 2008 and subsequent letter dated February 25, 2008.

VENDOR NAME:

**

**R.W. Mercer
 Company**

Oscar W. Larson
 Company

CHECK #:

742850274

705905024

CHECK AMOUNT:

10%

\$ 3,997.50

\$ 4,700.00

PROPOSAL: TO FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO INSTALL A NEW ABOVEGROUND FUEL STORAGE TANK AT SANCTUARY LAKE MAINTENANCE FACILITY IN ACCORDANCE WITH SPECIFICATIONS

COMPLETE FOR THE SUM OF:

\$ 39,975.00

\$ 47,000.00

MANUFACTURED BY:

Steel Tank Institute

Fireguard

STYLE/MODEL:

Fireguard, Double Wall Steel

1,000 Gallon (600/400)

FUEL TANK DIMENISIONS:

Blank

107"L X 62"W x 48"H

COST BREAKDOWN:

Marked as

A

1.0

SCHEDULE OF VALUES:

Marked as

B

2.0

CONTACT INFORMATION:

Hours of Operation
 24 Hr Phone No.

8:00am to 5:00pm
 (517) 787-2960

7:00am to 5:00pm
 (248) 620-0070

INSURANCE:

Can Meet
 Cannot Meet

XX

XX

SITE INSPECTION:

Y/N
 Date

Yes

Yes

1/25/2008

2/1/2008

COMPLETION DATE:

June 15, 2008

Can Meet
 Cannot Meet

XX

XX

Work to Commence - # of days ARO

25

60

PROGRESS PAYMENTS:

Blank

Blank

TERMS:

Net 10

Net 10

WARRANTY:

1Yr-Parts; 90 Days/Labor
 Manufacturers Warranty

2 years

EXCEPTIONS:

LISTED IN BID

Not Included: Dewatering

N/A

Hauling/disposal of contaminated soil

Masonry Wall Stiffening

Bumper Poles & Union Labor

ACKNOWLEDGEMENT:

Y/N

Yes

Yes

ELECTRICAL DIAGRAM

Y/N

Yes

Yes

TWO FORMS: Non-Collusion Affidavit & Legal Status

Yes

Yes

ADDENDUM #1 & #2

Y/N

Yes - #2

No

NO BID:
Phoenix Environmental, Inc.

**** DENOTES LOW BIDDER**

ATTEST:
 Diane Fisher
 Danny McDonald
 Linda Bockstanz

 Susan Leirstein CPPB
 Purchasing Director



2322 BROOKLYN ROAD • P.O. BOX 180 • JACKSON, MI 49204 • PHONE (517) 787-2960 • FAX (517) 787-8111

February 25, 2008

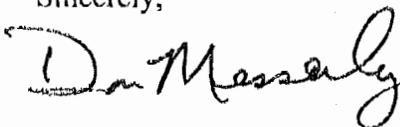
Danny T. McDonald
Superintendent of Greens
City of Troy
1442 East South Blvd.
Troy, MI 48085

RE: Sanctuary Lake Maintenance Facility – Tank Fill Connections

Dear Danny:

This letter is to confirm our conversation last week. Per the State of Michigan DEQ, the filling connections for the tank need to be outside the block wall enclosure. The additional cost for this work: (2) bottom fill assembly, misc. pipe and labor, will be \$5,600.00.

Sincerely,



Dan Messerly
R.W. Mercer Co.