



CITY COUNCIL ACTION REPORT

March 14, 2008

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

SUBJECT: Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Asphalt Patching Material

Background

- On March 6, 2008, bid proposals were received and opened to furnish one-year requirements of Asphalt Patching Material.
- 43 vendors were notified of the bid opportunity via the MITN system with six (6) bid responses received, as well as one statement of no bid.
- Barrett Paving Materials, Inc. bid an alternate item, CP6 that does not meet the current Michigan Department of State Highways Standard Specifications as listed in the bid proposal. Ajax Materials Corporation bid an alternate item, SPM that does not meet the current Michigan Department of State Highways Standard Specifications as listed in the bid proposal.
- Proposals submitted for Item 2, QPR/UPM – Picked up, are recommended for rejection because the cost savings gained by awarding the apparent low bidder, Saginaw Asphalt Paving Co., would be offset by transportation and fuel costs traveling to their plant in Saginaw.
- In times of emergencies, material will be picked up on an as needed basis utilizing the informal three-quote process.

Financial Consideration

- Funds are available through the Public Works operating budgets for Streets and Water Divisions.

Legal Considerations

- ITB-COT 08-13, to furnish one-year requirements of Asphalt Patching Material was competitively bid and opened with four vendors responding.
- The award is contingent upon contractor's submission of proper insurance certificates, and all specified requirements.

Policy Considerations

- All bidders were given the opportunity to respond with their level of interest in supply asphalt patching material to the City of Troy. (Goal II).
- QPR/UPM material is used in the general patching and maintenance of major and local roads and drains. (Goal I & V)

Options

- City management recommends awarding a contract for Item 1, QPR/UPM – Delivered to the lowest bidder meeting specifications, Saginaw Asphalt Paving Co. of Saginaw, MI, at price contained in the bid tabulation. In addition, staff recommends rejecting Item 2, QPR/UPM - Picked up by City employees.

Opening Date -- 3/06/08
 Date Prepared -- 3/14/08 (sl)

CITY OF TROY
 BID TABULATION
 ASPHALT PATCHING MATERIAL (COLD)

VENDOR NAME:			** Saginaw Asphalt Paving Company	Ajax Materials Corporation	Barrett Paving Materials, Inc.
ITEM #	EST QTY (TONS)	DESCRIPTION	Price/Ton	Price/Ton	Price/Ton
1	400	QPR/UPM or Approved Alternate Standard Train Load	\$ 75.04	\$ 78.85	\$ 80.00
			50	50	50
2.	50	QPR/UPM or Approved Alternate Picked up as needed	\$ 66.00	\$ 76.00	\$ 80.00
ESTIMATED TOTAL FOR ITEM BEING AWARDED:			\$ 30,016.00	\$ 31,540.00	\$ 32,000.00
HOURS OF OPERATION:			8 AM to 5 PM	7:30 AM-3:30 PM	7 AM to 3 PM
Notice of Delivery: # of Hours			48	24	24
For Saturdays:			N/A	call for availability	Call
PROXIMITY: Location-- Miles--			I-75 & M-13 - Saginaw	Ajax plant - Crooks Rd	Mt. Clemen's Plant
			87	6.75	Blank
FOR ITEM 1 ONLY	INSURANCE: Can Meet / Cannot Meet		XX	XX	XX
TERMS:			Net 30 Days	Net 30 Days	Net 30 Days
WARRANTY:			Blank	Per UPM Specs	Blank
DELIVERY: (Item 1)			2 Days	Blank	24 Hour Notice
EXCEPTIONS:			Blank	Blank	Blank
ACKNOWLEDGEMENT: Y or N			Yes	Yes	Yes

DMS:
Ajax Materials Corporation - Alternate Bid - SPM - product not as specified (\$30,562.50)
Barrett Paving Materials Inc - Alternate Bid CP6 - product not as specified (\$29,250.00)

NO BID:
Seal Master Michigan

**** DENOTES LOWEST BIDDER MEETING SPECIFICATIONS**

ATTEST:
Diane Fisher
Tom Rosewarne
Deana Theobald
Linda Bockstanz

Susan Leirstein CPPB
 Purchasing Director

Opening Date -- 3/06/08
 Date Prepared -- 3/14/08

(sl)

CITY OF TROY
 BID TABULATION
 ASPHALT PATCHING MATERIAL (COLD)

VENDOR NAME:

Ultimate Epoxy

ITEM #	EST QTY (TONS)	DESCRIPTION
1	400	QPR/UPM or Approved Alternate Standard Train Load
2.	50	QPR/UPM or Approved Alternate Picked up as needed

Price/Ton		
W/TERMS \$94.84		
\$ 96.77		
50		
RECOMMEND REJECTION - ITEM #2		
N/A		
ESTIMATED TOTAL FOR ITEM BEING AWARDED:	\$ 38,708.00	
HOURS OF OPERATION:	8 AM to 5 PM M-F	
Notice of Delivery:	# of Hours	
For Saturdays:	48	
	Blank	
PROXIMITY:	Location--	
	Miles--	
	N/A	
	Blank	
FOR ITEM 1 ONLY		
INSURANCE:	Can Meet	
	Cannot Meet	
	XX	
TERMS:	2% 10/30 Days Net	
WARRANTY:	Blank	
DELIVERY: (Item 1)	Blank	
EXCEPTIONS:	Lump sum bid all material delivered	
	50 T minium	
ACKNOWLEDGEMENT:	Y or N	
	Yes	