



CITY COUNCIL ACTION REPORT

March 13, 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: – Award To Lowest Acceptable Bidders –
Liquid Calcium Chloride

Background

- On March 5, 2008, bid proposals were received for one-year requirements of Liquid Calcium Chloride with an option to renew for one additional year.
- Liquid Calcium Chloride is required for dust and ice control, and ordered on an as needed basis.
- Items bid were separated into three (3) categories, Options A – C. Option A to deliver and apply material for dust control; Option B to deliver to a storage tank for ice control; and Option C to deliver to a storage tank for dust control. The City reserves the right to award the bid to the lowest responsible bidders for each option.
- Even though Liquid Calcium Chloride Sales was low bidder for Option A, their bid was not in the City's best interest due to their exception of an all or none award and firm pricing only until 10/31/08.
- Low bidders are as follows: South Huron Industrial Inc of Flat Rock, MI, Options A and C; and Suburban Oil Company of Taylor, MI for Option B.
- 84 vendors were notified via the MITN system with three (3) bid responses received, as well as one statement of no bid.

Financial Considerations

- Funds are available in the operating budgets of the Streets and Drains Division for snow and ice control and surface maintenance – gravel roads.

Legal Considerations

- ITB-COT 08-09, one-year requirements of Liquid Calcium Chloride with an option to renew for one additional year was competitively bid and opened on March 5, 2008, in accordance with City Charter and Code.

Policy Considerations

- All bidders were given the opportunity to respond with their level of interest in supplying services for the City of Troy. (Goal I)

Options

- City management recommends awarding contracts on a option by option basis to the two lowest acceptable bidders: South Huron Industrial Inc of Flat Rock, MI, Options A and C; and Suburban Oil Company of Taylor, MI, for Option B, at unit prices contained in the bid tabulation dated March 5, 2008.

Opening Date -- 3/5/08
 Date Prepared --3/13/08 (sl)

CITY OF TROY
 BID TABULATION
 LIQUID CALCIUM CHLORIDE

ITB-COT 08-09

VENDOR NAME:		** Suburban Oil Company	South Huron Industrial Inc.	Liquid Calcium Chloride Sales
EST QTY	DESCRIPTION	PRICE/ GALLON	PRICE/ GALLON	PRICE/ GALLON
	OPTION A:			DMS
45,000 GALS	Bidder to <u>deliver and apply</u> up to 14,000 gallons in one day, as requested by the City for dust control. Minimum 6,000 gal	Blank	\$ 0.575	\$ 0.529
				Alternate 5,500 Gals \$ 0.39
	OPTION B:			
15,000 GALS	Bidder will <u>deliver to storage tank</u> located at 4693 Rochester Rd., Troy, shipments of no less than 3,000 gallons, as requested by the City for ice control.	\$ 0.32	\$ 0.415	\$ 0.46
				Alternate 5,500 Gals \$ 0.48
	OPTION C:			
4,000 GALS	Bidder will <u>deliver to storage tank</u> located at 4693 Rochester Rd., Troy, shipments of no less than 2,000 gallons, as requested by the City for dust control	\$ 0.32	\$ 0.27	\$ 0.65
	ESTIMATED TOTAL COST:	N/A	\$ 33,180.000	\$ 33,305.00
	ESTIMATED TOTAL AWARDED ITEMS:	\$ 4,800.00	\$ 26,955.00	N/A
CONTACT INFORMATION:		Hours	8 AM to 5 PM	7 AM to 6 PM
				6 AM to 11 PM
	24Hr Phone Number		734-941-5812	734-782-9840
				989-245-2518
INSURANCE:		Can Meet	XX	XX
		Cannot Meet		
DELIVERY:		As Specified		
TERMS:		30 Days	Blank	See Bid Net 30, 1% Disc, 10 Days
EXCEPTIONS:		Blank	Blank	Alternate Quote for larger loads included in bid proposal Attached to Bid
				Prices Firm until 10/31/08
				All or None Award
ACKNOWLEDGEMENT: Y or N		Yes	Yes	Yes

NO BID:
Cryotech Deicing Technology

PROPOSAL - One year requirements of Liquid Calcium Chloride with an option to renew for one additional year

ATTEST:
Diane Fisher
Deanna Theobald
Tom Rosewarne
Linda Bockstanz

****DENOTES LOWEST ACCEPTABLE BIDDERS**

 Susan Leirstein CPPB
 Purchasing Director