



CITY COUNCIL ACTION REPORT

August 4, 2008

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Asst. City Manager/Economic Development Services
Steven J. Vandette, City Engineer *SV*

SUBJECT: Standard Purchasing Resolution #1: Award to Low Bidder
Contract 08-8 – Civic Center and Town Center Mill & Overlay

Background:

- Bids were received and publicly read on August 4, 2008. The low bid of \$595,675.70 was submitted by Ajax Paving Industries, Inc., 830 Kirks Blvd., Suite 100, Troy, MI 48084, as shown on the attached tabulation of bids.
- The Engineer's estimate at the time of bidding was \$772,873.00. The low bid is \$177,197.30 or 22.9% below the Engineer's estimate.
- Ajax Paving is a Troy based company and has completed numerous successful paving projects in the City of Troy.
- The work to be performed includes approximately 22,425 square yards of concrete pavement milling (grinding), 3,700 tons of asphalt overlay work plus various driveway replacements and ADA ramp and sidewalk replacements on the Civic Center site.
- Work is scheduled to begin by late August and be complete by late October, 2008.

Financial Considerations:

- Funds for this work are included in the 2008/09 Major Road fund, account number 401.447.479.7989.300. The budgeted amount includes funds for engineering, construction, inspection and contingencies.

Legal Considerations:

- Work was competitively bid and publicly opened with six (6) bidders responding.
- Award is contingent upon submission of proper proposal and bid documents, including insurance certificates, bonds and all specified requirements.

Policy Considerations:

- Enhance the health and safety of the community (Goal I).

- Add value to properties through maintenance of upgrades of infrastructure and quality of life venues (Goal II).

Options:

- It is recommended that City Council award a contract for the Civic Center and Town Center Mill & Overlay project to Ajax Paving Industries, Inc., 830 Kirts Blvd., Suite 100, Troy, MI 48084, for their low bid amount of \$595,675.70. In addition, we are requesting authorization to approve additional work, if needed, not to exceed 25% of the original project cost due to unknown pavement joint conditions after the milling operation that may need extensive repair work prior to placement of the asphalt overlay.

BID TABULATION
CONTRACT 08-8
CIVIC CENTER & TOWN CENTER
CITY OF TROY
OAKLAND COUNTY, MICHIGAN

Bids Due: August 4, 2008

<u>BIDDER</u>	<u>TOTAL AMOUNT OF BID</u>
Ajax Paving Industries	\$595,675.70
Florence Cement Company	\$646,784.67
ABC Paving Company	\$659,945.45
John Carlo Incorporated	\$692,690.25
Barrett Paving Materials	\$715,300.00
Nagle Paving Company	\$747,947.00
Asix Asphalt Paving	\$769,522.10
Cadillac Asphalt, L.L.C.	\$774,655.00