



## CITY COUNCIL ACTION REPORT

March 18, 2009

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 –Low Bidder Meeting Specifications – Asphalt Patching Material – Cold

### **Background**

- On March 3, 2009, bid proposals were electronically received and opened to furnish one-year requirements of Asphalt Patching Material - Cold.
- 40 Vendors were notified of the bid opportunity via the MITN system with two (2) bid responses received.
- Ajax Materials Corporation, the apparent low bidder; was disqualified because they would only hold pricing for six (6) months from the date of award, not one-year as specified.

### **Financial Consideration**

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

### **Legal Considerations**

- ITB-COT 09-10, to furnish one-year requirements of Asphalt Patching Material – Cold – was competitively bid as required by City Charter and Code.
- The award is contingent upon contractor's submission of proper insurance certificates, and all other specified requirements.

### **Policy Considerations**

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

### **Options**

- City management recommends awarding a contract to provide one-year requirements of asphalt patching material – cold to the lowest bidder meeting specifications, Ultimate Epoxy d/a C&D Holdings Limited of Lake Orion, MI, at pricing contained in the bid tabulation opened March 3, 2009.

Opening Date -- 03-03-09  
 Date Prepared -- 03/18/09

CITY OF TROY  
 BID TABULATION  
 ASPHALT PATCHING MATERIAL - Cold

VENDOR NAME:

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ITEM #	EST QTY (TONS)	DESCRIPTION	Price/Ton			
				<b>Ultimate Epoxy</b>		
				<b>D/A C &amp; D Holdings Limited</b>		
1	400	QPR/UPM or Approved Alternate		(w/terms)		
				\$ 102.32		
				\$ 103.35		
		<b>BRAND:</b>		Big Asphalt		
		<b>ESTIMATED TOTAL COST</b>		\$ 40,926.60		
				\$ 41,340.00		
		<b>INSURANCE:</b>	Can Meet	XX		
			Cannot Meet			
		<b>PAYMENT TERMS:</b>		1% - 10/30 Days Net		
		<b>WARRANTY:</b>		Blank		
		<b>DELIVERY:</b>		Within 48 Hrs		
		<b>MINIMUM ORDER:</b>		50 Tons \$2,000 required		
		<b>EXCEPTIONS:</b>		Prices held until 2/28/2010		
				Offering product that		
				is currently in use at		
				two other entities - Madison Hgts and Ann Arbor		

DMS:  
 Ajax Materials Corporation (\$37,780.00) Reason: Pricing firm for (6) months from date of award - bid documents specified one-year

ATTEST:  
Tom Rosewarne  
Diane Fisher  
Deanna Theobald  
Linda Bockstanz

PROPOSAL: One-Year Requirements of Asphalt Patching Material - Cold

\*\* DENOTES LOW BIDDER MEETING SPECIFICATIONS

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 Susan Leirstein CPPB  
 Purchasing Director