



CITY COUNCIL ACTION REPORT

May 5, 2009

TO: John Szerlag, Acting City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
Susan A. Leirstein, Purchasing Director
Timothy L. Richnak, Public Works Director

SUBJECT: Rescind Contract – Aggregates, Item 7) Crushed Concrete 3”-6”
Resolution #2009-04-129-F4a

Background

- On April 6, 2009, Troy City Council awarded one-year contracts to provide Aggregates with an option to renew for one (1) additional year on an item by item basis to the low bidders: Metropolitan Demolition for Item 7) Crushed Concrete 3”-6” and Bedrock Maintenance Services, Items 1-6 and #8-13. (CC Res #2009-04-129-F4a)
- Items bid were awarded after consideration was given to the 5% discount quoted by Bedrock Maintenance.
- The awards were contingent upon contractors’ submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.
- On May 4, 2009, after numerous attempts to clear insurance have failed with Metropolitan Demolition, the City recommends the company be placed in default of contract for being non-compliant and non-responsive to providing insurance requirements as specified.
- The bid document states – After approval by Troy City Council, the City’s Risk Manager will review the insurance certificate(s) to ensure all acceptable documents have been received, and allow (5) additional days after verbal / electronic notification to submit final insurance certificates(s) in accordance with specifications. If not so received, the company will be considered in default of contract and will be barred from doing business with the City of Troy for a minimum of three (3) years for failing to meet insurance requirements.

Financial Considerations

- Since no other bids were received for this item, staff recommends utilizing the informal three (3) quote process for future purchases of crushed concrete, 3”-6”.

Legal Considerations

- Metropolitan Demolition will receive a written notification of default and remedies for reinstatement as a potential vendor after three (3) years.

Policy Considerations

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

Options

- City management recommends the Troy City Council rescind with prejudice the contract approved on April 6, 2009, to Metropolitan Demolition of Romulus, MI, for Item 7), Crushed Concrete 3”-6” (Resolution #2009-04-129-F4a).

Yes: Beltramini, Eisenbacher, Fleming, Kerwin, Schilling
No: None
Absent: Broomfield, Howrylak

MOTION CARRIED

CONSENT AGENDA:

F-1a Approval of “F” Items NOT Removed for Discussion

Resolution #2009-04-129
Moved by Beltramini
Seconded by Eisenbacher

RESOLVED, That all items as presented on the Consent Agenda are hereby **APPROVED** as presented.

Yes: Eisenbacher, Fleming, Kerwin, Schilling, Beltramini
No: None
Absent: Broomfield, Howrylak

MOTION CARRIED

F-1b Address of “F” Items Removed for Discussion by City Council and/or the Public

F-2 Approval of City Council Minutes

Resolution #2009-04-129-F-2

RESOLVED, That Troy City Council hereby **APPROVES** the Minutes of the 7:30 PM Regular City Council Meeting of March 30, 2009 as corrected.

F-3 Proposed City of Troy Proclamation(s): None Submitted

F-4 Standard Purchasing Resolutions

a) **Standard Purchasing Resolution 1: Award to Low Bidders - Aggregates**

Resolution #2009-04-129-F-4a

RESOLVED, That Troy City Council hereby **AWARDS** one-year contracts to provide Aggregates with an option to renew for one (1) additional year to the low bidders as follows, after consideration has been given to the 5% discount quoted:

Recommended Vendors	Item / Description	Price/Ton	
Metropolitan Demolition Romulus, MI	Item 7) Crushed Concrete 3"-6"	\$17.50	
		5% Discount	
Bedrock Maintenance Services Ortonville, MI	Item 1) 6A Slag	\$14.49	\$13.77
	Item 2) 22A Road Gravel	\$ 8.49	\$ 8.07
	Item 3) Pea Gravel	\$11.25	\$10.69
	Item 4) 60/40 Gravel	\$11.74	\$11.15
	Item 5) Fill Sand	\$ 5.74	\$ 5.45
	Item 6) Crushed Concrete 1"-3"	\$10.24	\$ 9.73
	Item 8) Chloride Sand	\$14.74	\$14.00
	Item 9) 2NS Sand	\$ 8.40	\$ 7.98
	Item 10) Mason Sand	\$ 9.89	\$ 9.40
	Item 11) Limestone 1"-3"	\$14.25	\$13.54
	Item 12) Limestone 3"-6"	\$18.89	\$17.95
	Item 13) Limestone 4"-8"	\$23.95	\$22.75

at the discounted prices stated above and confirmed with the unit prices as contained in the bid tabulation opened March 17, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with contracts expiring April 30, 2010; and

BE IT FURTHER RESOLVED, That the awards are **CONTINGENT** upon contractors' submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

b) Standard Purchasing Resolution 1: Award to Low Bidders – Pavement Seam, Fracture Sealing and Spray Injection Patching Program

Resolution #2009-04-129-F-4b

RESOLVED, That Troy City Council hereby **AWARDS** a contract to complete the Pavement Seam, Fracture Sealing and Spray Injection Patching Program for the City of Troy to the low total bidder, Michigan Joint Sealing Inc, of Farmington Hills, MI, for an estimated total cost of \$133,175.00, at unit prices contained in the bid tabulation opened March 19, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; and

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor submission of properly executed bid and contract documents, including bonds, insurance certificates and all other specified requirements; and if changes in the quantity of work are required either additive or deductive, Troy City Council hereby **AUTHORIZES** such changes in an amount not to exceed budgetary limitations.

F-5 Acceptance of a Warranty Deed and Permanent Easement from 1401 Troy Associates Limited Partnership – Sidwell #88-20-32-226-037

Resolution #2009-04-129-F-5



CITY COUNCIL ACTION REPORT

April 1, 2009

TO: John Szerlag, Acting 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 1: – Award To Low Bidders – Aggregates

Background

- On March 17, 2009, bid proposals were electronically received for one-year requirements of Aggregate Materials with an option to renew for one additional year.
- 52 vendors were notified of the bid opportunity via the MITN system with ten (10) responses received, as well as one incomplete bid.
- After reviewing the aggregate bids item by item and also by the discount quoted by one vendor if awarded all items, it is in the City's best interest to award a contract to Bedrock Maintenance Services for Items 1-6 and Items 8-13 based on a 5% discount that will be issued directly to the City.

Financial Considerations

- Funds will be available in the 2009/10 Operating Budgets for the Streets and Water departments.
- The City will save an estimated \$1,759.12 by awarding to the vendor with a 5% discount on all items quoted.

Legal Considerations

- ITB-COT 09-18, Aggregate Materials were competitively bid as required by City Charter and Code.
- The awards are contingent upon contractors' submission of proper insurance certificates, and all other specified requirements.

Policy Considerations

- Aggregates are used for general maintenance of major and local roads. (Outcome Statement II)
- All bidders were given the opportunity to respond with their level of interest in supplying aggregate materials for the City of Troy. (Goal II)

Options

- City management recommends awarding contracts to the lowest bidders as follows after considering all discounts.

Recommended Vendors	Item / Description	Price/Ton	
Metropolitan Demolition – Romulus, MI	Item 7) Crushed Concrete 3"-6"	\$17.50	
		5% Discount	
Bedrock Maintenance Services Ortonville, MI	Item 1) 6A Slag	\$14.49	\$13.77
	Item 2) 22A Road Gravel	\$ 8.49	\$ 8.07
	Item 3) Pea Gravel	\$11.25	\$10.69
	Item 4) 60/40 Gravel	\$11.74	\$11.15
	Item 5) Fill Sand	\$ 5.74	\$ 5.45
	Item 6) Crushed Concrete 1"-3"	\$10.24	\$ 9.73
	Item 8) Chloride Sand	\$14.74	\$14.00
	Item 9) 2NS Sand	\$ 8.40	\$ 7.98
	Item 10) Mason Sand	\$ 9.89	\$ 9.40
	Item 11) Limestone 1"-3"	\$14.25	\$13.54
	Item 12) Limestone 3"-6"	\$18.89	\$17.95
	Item 13) Limestone 4"-8"	\$23.95	\$22.75

sl

VENDOR NAME:

VENDOR NAME:			Bedrock	Metropolitan	Novak	Tri-City
			Maintenance	Demolition, LLC	Construction	Aggregates, Inc
			Services			
ITEM	EST QTY/TONS	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON	PRICE/ TON
1.	1500	6A SLAG	\$ 14.49	No Bid	\$ 13.94	No Bid
2.	3500	22A GRAVEL	\$ 8.49	\$ 13.50	\$ 8.94	\$ 9.00
3.	300	PEA STONE	\$ 11.25	\$ 17.50	\$ 11.24	No Bid
4.	200	60/40 GRAVEL	\$ 11.74	\$ 22.00	\$ 12.94	No Bid
5.	2000	FILL SAND	\$ 5.74	\$ 11.00	\$ 7.74	\$ 5.50
6.	200	CRUSHED CONCRETE, 1" - 3"	\$ 10.24	\$ 14.50	No Bid	No Bid
7.	100	CRUSHED CONCRETE, 3" - 6"	No Bid	\$ 17.50	No Bid	No Bid
8.	250	CHLORIDE SAND	\$ 14.74	\$ 22.50	\$ 16.44	\$ 14.50
9.	250	2NS SAND	\$ 8.40	\$ 15.00	\$ 8.44	No Bid
10.	250	MASON SAND	\$ 9.89	\$ 15.00	\$ 11.94	No Bid
11.	200	LIMESTONE 1" - 3"	\$ 14.25	\$ 18.00	No Bid	No Bid
12.	100	LIMESTONE 3" - 6"	\$ 18.89	\$ 25.00	\$ 16.99	No Bid
13.	100	LIMESTONE 4" - 8"	\$ 23.95	\$ 25.00	\$ 19.49	No Bid
DISCOUNT IF AWARDED ALL ITEMS			5%	No Bid	No Bid	No Bid
ESTIMATED TOTAL:			\$ 86,092.50	\$ 105,275.00	\$ 86,493.00	\$ 46,125.00
ESTIMATED TOTAL AWARDED ITEMS W/DISCOUNT:			\$ 81,787.88	\$ 1,750.00	N/A	N/A
DELIVERY: Within Hours			24	48	Immediately	48
MINIMUMS:			50	50	50	50
CONTACT INFORMATION						
Hrs of Operation			M-S 7-4pm	5 AM to 7 PM	Blank	5:30AM to 5 PM
24 Hr. Phone No.			810-217-6324	734-709-5039		248-634-8277
INSURANCE						
Can Meet			XX	XX	Blank	XX
Cannot Meet						
TERMS:			2% Net 10 days	Net 30 days	No Discount	Net 30 days No Disc.
EXCEPTIONS:			Blank	Blank	Blank	Blank

PROPOSAL: One-Year Requirements of Aggregates with an Option to Renew for One (1) Additional Year

NOTE: If awarded by item to the lowest bidders, the total award equals \$85,297.00 - By awarding to the vendor w/5% discount on all items plus the sole bidder for Item #7, a savings of \$1759.12 results.

HIGHLIGHTED AREAS DENOTES LOW BIDDERS

ATTEST:

Deanna Theobald

Thomas Rosewarne

Diane Fisher

Linda Bockstanz

Susan Leirstein CPPB
Purchasing Director

VENDOR NAME:

Richmond	T.K.M.S.	Boulevard &	Ellsworth
Transport Inc	LTD	Trumbull Towing	Industries
		Inc.	
		Fiore's Crushed Concrete	

ITEM	EST QTY/TONS	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON	PRICE/ TON
1.	1500	6A SLAG	\$ 14.42	No Bid	No Bid	No Bid
2.	3500	22A GRAVEL	\$ 10.25	\$ 10.50	No Bid	\$ 10.25
3.	300	PEA STONE	\$ 14.00	\$ 14.00	No Bid	\$ 14.75
4.	200	60/40 GRAVEL	\$ 15.15	\$ 15.00	No Bid	No Bid
5.	2000	FILL SAND	\$ 6.85	\$ 6.50	No Bid	\$ 10.50
6.	200	CRUSHED CONCRETE, 1" - 3"	\$ 11.50	\$ 10.50	\$ 12.84	No Bid
7.	100	CRUSHED CONCRETE, 3" - 6"	No Bid	No Bid	No Bid	No Bid
8.	250	CHLORIDE SAND	\$ 27.00	\$ 17.50	No Bid	\$ 18.50
9.	250	2NS SAND	\$ 11.10	\$ 9.50	No Bid	\$ 11.75
10.	250	MASON SAND	\$ 10.10	\$ 9.50	No Bid	No Bid
11.	200	LIMESTONE 1" - 3"	\$ 12.85	\$ 14.00	No Bid	\$ 14.85
12.	100	LIMESTONE 3" - 6"	No Bid	No Bid	No Bid	No Bid
13.	100	LIMESTONE 4" - 8"	\$ 17.85	\$ 20.00	No Bid	\$ 25.90
DISCOUNT IF AWARDED ALL ITEMS			No Bid	No Bid	No Bid	No Bid

ESTIMATED TOTAL:	\$ 97,140.00	\$ 72,975.00	\$ 2,568.00	\$ 74,422.50
ESTIMATED TOTAL AWARDED ITEMS W/DISCOUNT:	N/A	N/A	N/A	N/A

DELIVERY: Within Hours	24	24	24 ARO	Immediately
MINIMUMS:	50	50	30	50
CONTACT INFORMATION			Sat 7-3pm	
Hrs of Operation	6 AM to 5 PM	Blank	M-F 6AM to 6PM	Blank
24 Hr. Phone No.	586-727-1627		586-939-6200	
INSURANCE	Can Meet	XX	Blank	XX
	Cannot Meet			
TERMS:	Net 30 days	Net 30	Net 30	Net 30
EXCEPTIONS:	Blank	See Minimum	Blank	Blank
		Above		

Opening Date -- 3/17/09
 Date Prepared -- 3/23/09

CITY OF TROY
 BID TABULATION
 AGGREGATES

VENDOR NAME:

Osburn Industries Inc	Loma Trucking & Landscape Supplies, Inc.		

ITEM	EST QTY/TONS	DESCRIPTION	PRICE/TON	PRICE/TON		
1.	1500	6A SLAG	No Bid	\$ 18.35		
2.	3500	22A GRAVEL	\$ 10.10	\$ 9.45		
3.	300	PEA STONE	\$ 14.10	\$ 13.00		
4.	200	60/40 GRAVEL	\$ 14.45	\$ 15.10		
5.	2000	FILL SAND	\$ 7.95	\$ 8.00		
6.	200	CRUSHED CONCRETE, 1" - 3"	\$ 11.00	\$ 12.50		
7.	100	CRUSHED CONCRETE, 3" - 6"	No Bid	No Bid		
8.	250	CHLORIDE SAND	\$ 23.00	\$ 34.50		
9.	250	2NS SAND	\$ 9.60	\$ 9.20		
10.	250	MASON SAND	\$ 12.35	\$ 11.50		
11.	200	LIMESTONE 1" - 3"	\$ 13.55	\$ 13.40		
12.	100	LIMESTONE 3" - 6"	No Bid	No Bid		
13.	100	LIMESTONE 4" - 8"	\$ 19.00	\$ 18.75		
DISCOUNT IF AWARDED ALL ITEMS			No Bid	2% of \$104,375		

ESTIMATED TOTAL:		\$ 76,417.50	\$ 104,375.00		
ESTIMATED TOTAL AWARDED ITEMS W/DISCOUNT:		N/A	N/A		
DELIVERY Within Hours		24	36		
MINIMUMS:		50	47		
CONTACT INFORMATION					
Hrs of Operation		Blank	6 AM to 6 PM		
24 Hr. Phone No.			734-260-1370		
INSURANCE	Can Meet Cannot Meet	Blank	XX		
TERMS:		Net 30	Net 30 days		
EXCEPTIONS:		See Minimum Above	Item #1 6A Slag not available this year		
			approved Equal 6AA Limestone MDOT		