



## 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 / Re-Award Contract – Hauling & Disposal, Item #4) Catch Basin Sludge and Street Sweepings - Resolution #2009-04-139-F4b

### **Background**

- On April 20, 2009, Troy City Council awarded one-year contracts to provide Hauling/Disposal of Dirt and Debris with an option to renew for one (1) additional year on an item by item basis to the low bidders: Ahern Contracting Inc for Item #1) Broken concrete, Bedrock Maintenance Services, Items 2) Broken asphalt and #3) Fill Dirt, and Metropolitan Demolition for Item #4) Catch basin sludge and street sweepings (CC Res #2009-04-139-F4b)
- Items bid were awarded after consideration was given to the discounts quoted.
- 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**

- The City's total estimated cost under this contract could increase by \$145.00, due to the loss of a 1% discount for payment within fifteen (15) days.

### **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 services for the City of Troy. (Goal II)

### **Options**

- City management recommends the Troy City Council rescind with prejudice the contract approved on April 20, 2009, to Metropolitan Demolition LLC of Romulus, MI, for Item #4) Catch basin sludge and street sweepings, (Resolution #2009-04-139-F4b). Staff also recommends re-awarding the contract to the next lowest bidder, Waste Management of Michigan at unit prices contained in the bid tabulation opened March 13, 2009.

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Re-Award Vendor

VENDOR NAME:

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VENDOR NAME:			<b>Bedrock</b>	<b>Ahern</b>	<b>Waste</b>
			<b>Maintenance</b>	<b>Contracting Inc</b>	<b>Management</b>
			<b>Services</b>		<b>of Michigan</b>
ITEM	EST QTY(TONS)	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON
1	2,000	Broken concrete with & without wire, possibly mixed w/fill dirt	\$ 4.49	<b>(w/terms \$4.2042)</b> \$ 4.29	\$ 8.00
2	1,000	Broken asphalt possibly mixed with fill dirt	\$ 4.49	\$ 4.44	\$ 8.00
3	7,000	Fill Dirt, material excavated from water and sewer repairs, as well as ditching operations. Material may include culverts, large stumps, logs & wood materials	\$ 4.49	\$ 5.49	\$ 8.50
4	1,000	Catch basin sludge and street sweepings.	\$ 16.89	\$ 16.45	\$ 14.50
<b>ESTIMATED TOTAL ALL ITEMS:</b>			\$ 61,790.00	\$ 67,900.00	\$ 98,000.00
<b>ESTIMATED TOTAL AWARDED ITEMS:</b>			<b>** \$ 35,920.00</b>	<b>\$ 8,580.00</b>	<b>\$ 14,500.00</b>

DISPOSAL SITE:

APPROVED SITE EPA PERMIT #:

Y or N

CONTACT INFORMATION: Hrs of Operations  
 24 Hr Phone #

SITE VISIT: Yes/No  
 Signed

INSURANCE: Can Meet  
 Cannot Meet

EQUIPMENT LIST: Y or N

PAYMENT TERMS:

DELIVERY:

MINIMUMS:

EXCEPTIONS:

Blank	Veolia ES Solid Waste Midwest, Inc.	Blank
Blank	Yes	Blank
	Unknown	
Blank	7 AM to 5 PM	Blank
248-627-3338	888-443-1717	Blank
Blank	No	Blank
Blank	XX	Blank
Blank	No	Blank
Net 10 Days 5% Discount	Net 30 or Net 10 - 2% Disc.	No
48hrs or less	3/20/2009 weather permitting	3/13/2009
50 Tons	None	None
Already set up with City of Troy - Insurance on File	MDOT Certified, SoM Licensed & Fully Insured/ Bonded	Certificate of Insurance will be provided upon award

**BOLD FACE TYPE DENOTES LOWEST ACCEPTABLE BIDDERS**

PROPOSAL: One-Year Requirements of Hauling and Disposal of Dirt and Debris with an Option to Renew for One (1) Additional Year

Susan Leirstein CPPB  
 Purchasing Director

VENDOR NAME:

Comprehensive	Madalyn's	Default Vendor
Environmental	Contracting LLC	Metropolitan
Solutions, Inc.		Demolition, LLC

ITEM	EST QTY(TONS)	DESCRIPTION	PRICE/ TON	PRICE/ TON	PRICE/ TON
1	2,000	Broken concrete with & without wire, possibly mixed w/fill dirt	(w/terms \$5.88) \$ 6.00	\$ 10.00	\$10.395 \$ 10.50
2	1,000	Broken asphalt possibly mixed with fill dirt	\$ 5.88 \$ 6.00	\$ 8.00	\$ 9.405 \$ 9.50
3	7,000	Fill Dirt, material excavated from water and sewer repairs, as well as ditching operations. Material may include culverts, large stumps, logs & wood materials	\$ 5.88 \$ 6.00	\$ 10.00	\$ 7.6725 \$ 7.75
4	1,000	Catch basin sludge and street sweepings.	\$ 15.68 \$ 16.00	\$ 20.00	(w/terms) \$ 14.355 \$ 14.50
<b>ESTIMATED TOTAL ALL ITEMS:</b>			\$ 76,000.00	\$ 118,000.00	\$ 99,250.00
<b>ESTIMATED TOTAL AWARDED ITEMS:</b>			<b>N/A</b>	<b>N/A</b>	<b>\$ 14,500.00</b>

DISPOSAL SITE:

APPROVED SITE  
EPA PERMIT #:

Y or N

CONTACT INFORMATION:

Hrs of Operations  
24 Hr Phone #

SITE VISIT:

Yes/No  
Signed

INSURANCE:

Can Meet  
Cannot Meet

EQUIPMENT LIST:

Y or N

PAYMENT TERMS:

DELIVERY:

MINIMUMS:

EXCEPTIONS:

Blank	Blank	N/A Depending on Time of Year
Blank	Blank	Pine Tree Acres Blank
		MID185388089
Blank	Blank	7 AM to 6 PM
Blank	Blank	734-709-5039
Blank	Blank	Yes
		5-Mar-2009
Blank	Blank	XX
Blank	Blank	Yes
2% Net 10	Net 30 - 0% Disc.	Net 30 Days 15 days or before for a 1% discount
3/13/2009	As Needed	ASAP
None	50 or \$1000	100
Blank	Blank	Hazardous/Contaminated soils/material & Hauling
		Permits/Bonds/Fees/ testing or inspections etc.....

ATTEST:

Cheryl Stewart  
Thomas Rosewarne  
Deanna Theobald  
Linda Bockstanz

Default Vendor - Did not respond nor provide insurance as specified

Yes: All-7

## MOTION CARRIED

### F-3 City of Troy Proclamations:

Resolution #2009-04-139-F-3

RESOLVED, That Troy City Council hereby **APPROVES** the following City of Troy Proclamations:

- a) *White Cane Week* – April 24-May 3, 2009
- b) National Association of Letter Carriers *Stamp Out Hunger Food Drive Day* – May 9, 2009
- c) National Child Abuse Prevention and Awareness Month – April, 2009
- d) 2009 Law Day – May 1, 2009

### F-4 Standard Purchasing Resolutions

- a) **Standard Purchasing Resolution 1: Award to Low Bidder – Contract 09-3 – Heide, Thunderbird, and Oliver Roads Water Main Replacement Project Nos. 08.503.5, 08.504.5, 08.505.5**

Resolution #2009-04-139-F-4a

RESOLVED, That Troy City Council hereby **AWARDS** Contract No. 09-3, Heide, Thunderbird, and Oliver Roads Water Main Replacement to Teltow Contracting, Inc., 4678 Meldrum Road, Casco, MI 48064 at an estimated total cost of \$1,708,368.10; and

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon submission of proper contract and bid documents, including bonds, insurance certificates and all specified requirements, and if additional work is required, Troy City Council hereby **AUTHORIZES** such additional work in an amount not to exceed 10% of the total project cost.

- b) **Standard Purchasing Resolution 1: Award to Low Bidders – Hauling/Disposal of Dirt and Debris**

Resolution #2009-04-139-F-4b

RESOLVED, That Troy City Council hereby **AWARDS** one-year contracts to provide Hauling/Disposal of Dirt and Debris with an option to renew for one (1) additional year on an item by item basis to the low bidders after consideration was given to the discounts quoted:

Recommended Vendors	Item / Description	Price/Ton
Ahern Contracting Inc Chesterfield, MI	1. Broken concrete with and without wire, possibly mixed with fill dirt	\$4.29

Recommended Vendors	Item / Description	Price/Ton
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Bedrock Maintenance Services Ortonville, MI	2. Broken asphalt possibly mixed with fill dirt 3. Fill Dirt, material excavated from water and sewer repairs, as well as ditching operations. Material may include culverts, large stumps, logs & wood materials	\$4.49 (w/terms \$4.2655) \$4.49
Metropolitan Demolition, LLC Romulus, MI	4. Catch basin sludge and street sweepings - Pine Tree Acres -	\$14.50

at unit prices confirmed in the bid tabulation opened March 13, 2009, copy of which shall be **ATTACHED** to the original Minutes of this meeting, with contracts expiring March 31, 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.

**c) Standard Purchasing Resolution 1: Award to Low Bidder – Pump Repair Services – Indoor and Outdoor Pools**

Resolution #2009-04-139-F-4c

RESOLVED, That Troy City Council hereby **AWARDS** a contract to furnish all labor, tools, equipment including cranes etc., and transportation services for two-year requirements of pump repair and emergency repairs on the City of Troy outdoor and indoor pools with two one-year renewal options to the low total bidder, Pro Seal Service Group of Pontiac, MI, at unit prices contained in the bid tabulation opened February 24, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, to expire April 30, 2011; and

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

**d) Standard Purchasing Resolution 2: Sole Bidder – Ultraviolet Chloramines Destruct and Disinfection System**

Resolution #2009-04-139-F-4d

RESOLVED, That Troy City Council hereby **AWARDS** a contract to furnish all equipment, material, and labor to install, start-up, and train staff for an ultraviolet chloramines destruct and disinfection system at the Troy Community Center indoor leisure and therapy pools to the sole bidder, B & B Pools and Spas of Livonia, MI, for an estimated total project cost of \$71,240.00, for the system detailed on the bid tabulation opened March 24, 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 the bidder submission of proper contract and bid documents, including bonds, insurance certificates and all other specified requirements.



# CITY COUNCIL ACTION REPORT

April 13, 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 – Hauling/Disposal of Dirt and Debris

## Background

- On March 13, 2009, bid proposals were electronically received for one-year requirements of Hauling/Disposal of Dirt and Debris with an option to renew for one additional year.
- 91 vendors were notified via the MITN system with six (6) bid responses received, as well as one incomplete bid.
- Each item on the proposal was considered as a separate bid, after consideration was given to the discounts quoted; and recommendations made to the lowest responsible bidders for each item.

## Financial Considerations

- Funds are available in the 2009-2010 Operating Budgets for the Streets and Water departments.

## Legal Considerations

- ITB-COT 09-19, Hauling/Disposal of Dirt and Debris was 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

- All bidders were given the opportunity to respond with their level of interest in providing hauling/disposal services for the City of Troy. (Goal II)

## Options

- City management recommends awarding contracts on an item by item basis to the three low bidders.

<b>Recommended Vendors</b>	<b>Item / Description</b>	<b>Price/Ton</b>
Ahern Contracting Inc Chesterfield, MI	1). Broken Concrete with and without wire, possibly mixed w/fill dirt	\$4.29
Bedrock Maintenance Services Ortonville, MI	2). Broken asphalt possibly mixed with fill dirt	\$4.49
	3). Fill Dirt, material excavated from water and sewer repairs, as well as ditching operations. Material may include culverts, large stumps, logs and wood materials	(w/terms \$4.2655) \$4.49
Metropolitan Demolition, LLC Romulus, MI	4). Catch basin sludge and street sweepings - Pine Tree Acres -	\$14.50