



CITY COUNCIL AGENDA ITEM

Date: February 21, 2011

To: John Szerlag, City Manager

From: Mark F. Miller, Acting Assistant City Manager/Economic Development Services
Steven J. Vandette, City Engineer *[Signature]*

Subject: Agenda Item – Standard Purchasing Resolution #1: Award to Low Bidder
Contract 10-5 – Tallman and Eckford Water Main Replacement

Background

The water mains on Tallman and Eckford Roads are over 50 years old and have exceeded their service life. The project will replace and upsize these mains to meet current fire flow standards and reduce or eliminate costly main breaks that become common with older water mains. Work will include replacing the existing 8" water mains on the above noted streets with 12" water main. The work is anticipated to start in April and be completed by October.

Bids were received and publicly read on February 16, 2011. The low bid of \$641,805.00, as submitted by Pamar Enterprises, Inc., can be seen in the attached tabulation of bids. The engineer's estimate at the time of bidding was \$798,000.00. The low bid is therefore \$156,195 or 19.6% below the engineer's estimate.

Recommendation

It is recommended that City Council award a contract for the Tallman and Eckford Water Main Replacement project to Pamar Enterprises, Inc, 58021 Gratiot, New Haven, MI 48048 for their low total bid amount of \$641,805.00. In addition, we are requesting authorization to approve additional work, if needed, not to exceed 10% of the original project cost. Enterprise funds are being used to fund this project; enterprise funds can only be used for operation, maintenance and improvements to the water system.

Fund Availability

Funds for this work are included in the 20010/11 Water Fund. The budgeted amount includes funds for construction, inspection and contingencies.

Legal Considerations

Work was competitively bid and publicly opened with seven (7) bidders responding. The award is contingent upon submission of proper proposal and bid documents, including insurance certificates, bonds and all specified requirements.

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**BID TABULATION
CONTRACT 10-5**

Tallman and Eckford Water Main Replacement
City of Troy
Oakland County, Michigan

Bids Due: February 16, 2011
Project # 10.501.5

	Total Bid Amount
Pamar Enterprises, Inc.	\$ 641,805.00
DVM Utilities	\$ 643,142.40
Teltow Contracting, Inc.	\$ 674,791.75
Bricco Excavating Company, LLC	\$ 710,680.00
FDM Contracting, Inc.	\$ 721,714.00
C&P Construction Co., Inc.	\$ 738,679.75
Verdeterre Contracting, Inc.	\$ 768,380.15