



CITY COUNCIL AGENDA ITEM

April 20, 2011

To: John Szerlag, City Manager

From: John M. Lamerato, Assistant City Manager Finance & Administration
Susan A. Leirstein, Purchasing Director
Timothy L. Richnak, Public Works Director

Subject: Rescind Bid Award / Re-award Contract – Custodial Supplies

Background

On March 28, 2011, Troy City Council approved a one-year contract to provide Custodial Supplies for City facilities to the lowest acceptable bidder, Central Poly Corporation of Linden, NJ (Resolution #2011-03-064-J4e). On April 8, 2011, Central Poly declined the consideration for award due to their inability to meet insurance requirements as specified. Central Poly received a written notification of default and remedies for reinstatement as a potential vendor after three (3) years.

After a thorough review of the bid results to determine the most favorable award, it is in the City's best interest to re-award the contract to the lowest total bidder for both items; Empire Equipment & Supply Company of Detroit, MI. Empire has been able to meet insurance requirements as stipulated in the bid proposal.

Recommendation

City management recommends Troy City Council rescind with prejudice the contract approved on March 28, 2011, to Central Poly Corporation for Custodial Supplies (Resolution #2011-03-064-J4e) and re-award the contract to the lowest total bidder, Empire Equipment & Supply Co for an estimated total cost of \$16,134.00, at unit prices contained in the bid tabulation opened February 23, 2011.

Fund Availability

Funds are available in the various departmental operating budgets for Custodial Supplies. Annual costs under the new contract with Empire Equipment & Supply Co will increase an estimated \$500.00, when compared with pricing submitted by Central Poly Corporation.

RESOLVED, That Troy City Council hereby **AWARDS** a contract to purchase one (1) 2011 Ford Expedition 4X4 from Signature Ford of Owosso, MI, through a Macomb County Cooperative Purchasing Agreement for an estimated total cost of \$27,767.50.

e) Standard Purchasing Resolution 1: Award to Lowest Bidder – Custodial Supplies

Resolution #2011-03-064-J-4e

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide one (1) year requirements of Custodial Supplies to the lowest acceptable bidder, Central Poly Corporation, of Linden, NJ, at an estimated total cost of \$15,662.00, at unit prices contained in the bid tabulation dated February 23, 2011, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

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

f) Standard Purchasing Resolution 1: Award to Low Bidders – Traffic Control Signs and Posts

Resolution #2011-03-064-J-4f

RESOLVED, that Troy City Council hereby **AWARDS** one-year contracts to provide Traffic Control Signs and Posts on a proposal by proposal basis to the five lowest total bidders as follows:

<u>Bidders</u>	<u>Proposal</u>	<u>Estimated Total Cost</u>
Custom Products Corporation of Jackson, MS	A, B, C, G, J and K	\$22,700.00
Rathco Safety Supply, Inc of Portage, MI	D and G	\$ 1,900.00
Rocal, Inc of Frankfort, OH	E, F and G	\$ 7,720.00
Carrier & Gable, Inc of Farmington Hills, MI	H	\$ 5,620.00
Dornbos Sign, Inc of Charlotte, MI	I	\$ 5,390.00

At unit prices contained on the bid tabulation, which opened February 10, 2011, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with contracts expiring March 1, 2012.

g) Standard Purchasing Resolution 3: Exercise Renewal Option – Hauling and Disposal of Dirt and Debris

Resolution #2011-03-064-J-4g

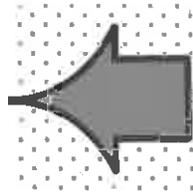
WHEREAS, On April 5, 2010, Troy City Council awarded a one-year contract to provide Hauling and Disposal of Dirt and Debris with an option to renew for one (1) additional year to the lowest total acceptable bidder, Bedrock Express LTD of Ortonville, MI (Resolution #2010-04-081-I-4b); and

Stephen L Cooperrider

From: Stephen L Cooperrider
Sent: Monday, April 11, 2011 7:47 AM
To: Susan A Leirstein
Subject: FW: City of Troy / Central Poly Bag

I just saw this today, as I was out on Friday.

From: Afton Dewland [mailto:afton@centralpoly.com]
Sent: Friday, April 08, 2011 10:05 AM
To: Stephen L Cooperrider
Subject: RE: City of Troy / Central Poly Bag



Stephen-

I appreciate your patience with this situation but Central Poly is declining the consideration for the award of the bid.

Please proceed as you feel necessary.

Afton Dewland

From: Stephen L Cooperrider [mailto:CooperrSL@troy.mi.gov]
Sent: Thursday, April 07, 2011 4:30 PM
To: Hirsch, Fred; Afton Dewland
Cc: Susan A Leirstein
Subject: RE: City of Troy / Central Poly Bag

Mr. Hirsch,

I'm sure you understand that we cannot change the specifications of a contract once it has been opened, specifically for your client. Your client indicated they could meet the bid requirements in the bid documents they submitted, and was awarded the contract accordingly. If they are now saying they won't meet the contract requirements, they are in breach of contract. We will take the necessary action.

Please know the cancellation clause language and the auto liability coverage is standard on our contracts. Any contractor (and their agent and carriers) providing services to the City of Troy has been able to meet these requirements.

Stephen Cooperrider
City of Troy, Risk Manager
248-526-5127

From: Hirsch, Fred [mailto:fhirsch@nfppc.com]
Sent: Thursday, April 07, 2011 4:10 PM
To: Stephen L Cooperrider
Cc: afton@centralpoly.com
Subject: City of Troy / Central Poly Bag

Stephen:

I spoke to my insured and explained to him that this is the certificate we supply for every municipality. We have all the usual coverages and forms which have been acceptable for all other municipalities. We cannot represent something on a

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VENDOR NAME:

ITEM	EST QTY (CS)	DESCRIPTION	CASE PRICE	CASE PRICE	CASE PRICE
1.	300	2 Ply Toilet Tissue, 4.5" W X 3"- 3.5" Dia	\$ 29.33	\$ 31.11	\$ 29.45
			\$ 29.04	w/terms	DMS
2.	500	Unbleached Multi-fold Towels, 9.25" x 9.516"	\$ 14.67	\$ 13.69	\$ 15.00
			\$ 14.52	w/terms	

ESTIMATED TOTAL BOTH ITEMS:

DELIVERY: Within
 Minimum shipment:

CONTACT INFO Hrs of Operations
 24 Hr Phone #
 Fax #

DESCRIPTIVE LITERATURE: Marked

INSURANCE: Can meet
 Cannot meet
 Signed Y or N

PAYMENT TERMS:

WARRANTY:

ALL OR NON-AWARD - Box Y or N

EXCEPTIONS:

ACKNOWLEDGEMENT: Signed Y or N

Empire	Sun Valley	Hercules &
Equipment	Foods Co	Hercules Inc
& Supply Co		
CASE PRICE	CASE PRICE	CASE PRICE
\$ 29.33	\$ 31.11	\$ 29.45
\$ 29.04	w/terms	DMS
\$ 14.67	\$ 13.69	\$ 15.00
\$ 14.52	w/terms	
\$16,134.00	\$ 16,178.00	N/A
3 Days	1 Day	7 Days
\$500.00	\$500.00	\$150.00
8AM-5PM	7AM-4PM	8AM-5PM
(313)366-0700	(313)615-9590	(313)933-6669
(313)366-0706	(313)865-6364	(313)933-1801
A	Blank	4064 & 1751
XX	XX	XX
Y	Y	Y
1% 10 Days		
Net 30	Net 30	Net 30
Manufacturer	Blank	Manufacturer
Y	Y	N
Blank	Blank	Blank
Y	Y	Y

PROPOSAL -- One-Year Requirements of Custodial Supplies

NO BIDS:

Industrial Cleaning Supply Company

BOLDFACE TYPE DENOTES LOWEST ACCEPTABLE BIDDER

DMS:

Hercules & Hercules Inc - Reason: Toilet roll size too small at 4 x3.21 in - Does not fit dispensers

DEFAULT:

Central Poly Corporation - (\$15,662.00) - Reason: Vendor chose NOT to clear insurance requirements as specified

ATTEST:

MaryAnn Hays
Diane Fisher
Julie Hamilton

Susan Leirstein CPPO, CPPB
 Purchasing Director

VENDOR NAME:

APAC Paper & Packaging	Nichols	Jem Industries, Inc	HP Products Corporation
		Alternate	

ITEM	EST QTY (CS)	DESCRIPTION	CASE PRICE	CASE PRICE	CASE PRICE	CASE PRICE
1.	300	2 Ply Toilet Tissue, 4.5" W X 3"- 3.5" Dia	\$ 33.50	\$ 32.20	\$ 30.63	\$ 30.29
2.	500	Unbleached Multi-fold Towels, 9.25" x 9.516"	\$ 13.95	\$ 15.10	\$ 17.12	\$ 14.44

ESTIMATED TOTAL BOTH ITEMS:

\$ 17,025.00	\$ 17,210.00	\$ 17,749.00	\$ 18,124.40
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DELIVERY: Within
 Minimum shipment:

3 Days	2 Days	2-3 Days	3-10 Days
\$200.00	\$250.00	\$400.00	\$200.00

CONTACT INFO Hrs of Operations
 24 Hr Phone #
 Fax #

8AM-5PM	8-5 M-F	8AM-5PM	8AM-5PM
(313) 982-6400	(800) 442-0213	(248) 583-1879	(800) 333-7277
(313) 982-9900	(231) 799-3550	(248) 583-1976	(734) 369-5708

DESCRIPTIVE LITERATURE: Marked

NPS	Specs	Blank	#1, #2
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INSURANCE: Can meet
 Cannot meet
 Signed Y or N

XX	XX	XX	XX
Y	Y	Y	Y

PAYMENT TERMS:

Net 30	Net 25	Net 30	Net 30
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WARRANTY:

Manufacturer	Blank	Blank	Blank
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ALL OR NON-AWARD - Box Y or N

N	N	Y	N
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EXCEPTIONS:

Blank	Blank	Blank	Blank
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ACKNOWLEDGEMENT: Signed Y or N

Y	Y	Y	Y
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PROPOSAL -- One-Year Requirements of Custodial Supplies

VENDOR NAME:

Supply Pro	Staples	Jem	Commerce
	Business	Industries, Inc	Connect LLC
	Advantage		
CASE PRICE	CASE PRICE	CASE PRICE	CASE PRICE
\$ 35.71	\$ 33.95	\$ 32.81	\$ 46.26
\$ 14.84	\$ 17.15	\$ 18.34	\$ 25.00
** see note			
\$ 18,133.00	\$ 18,760.00	\$ 19,013.00	\$ 26,378.00
1 Day	1 Day	2-3 Days	2 Days
\$500.00	\$50.00	\$400.00	\$75.00
8AM-5PM	M-F 8AM-5PM	8AM-5PM	M-F 7:30AM-4PM
(248) 672-1800	(800) 693-9900	(248) 583-1879	(810) 423-3741
(810) 239-2819	(248) 465-1529	(248) 583-1976	(810) 424-0042
Blank	Descriptive Literature	Flyer	ADD. #1
XX	XX	XX	Exception
Y	N	Y	N
Net 30	Net 30 Days	Net 30	Net 30
N/A	Manufacturer	Blank	Mfg
Y	N	N	N
Attached To	Blank	Blank	Insurance
Bib "B"			will be via
			supplier who
			Ships
Y	Y	Y	Y

ESTIMATED TOTAL BOTH ITEMS:

DELIVERY: Within
 Minimum shipment:

CONTACT INFO Hrs of Operations
 24 Hr Phone #
 Fax #

DESCRIPTIVE LITERATURE: Marked

INSURANCE: Can meet
 Cannot meet
 Signed Y or N

PAYMENT TERMS:

WARRANTY:

ALL OR NON-AWARD - Box Y or N

EXCEPTIONS:

ACKNOWLEDGEMENT: Signed Y or N

PROPOSAL -- One-Year Requirements of Custodial Supplies

**** Note: Amount corrected by Purchasing**

VENDOR NAME:

E & R	Applied -	Madalyns	
Industrial	Michigan, LTD	Contracting	
		LLC	

ITEM	EST QTY (CS)	DESCRIPTION	CASE PRICE	CASE PRICE	CASE PRICE	CASE PRICE
1.	300	2 Ply Toilet Tissue, 4.5" W X 3"- 3.5" Dia	\$ 41.46	\$ 42.74	\$ 47.00	
		80 Roll Case =>	\$ 40.63	w/terms		
2.	500	Unbleached Multi-fold Towels, 9.25" x 9.516"	\$ 19.51	\$ 34.11	\$ 65.70	

ESTIMATED TOTAL BOTH ITEMS:

\$ 24,186.99			
\$ 24,680.60	\$ 29,877.00	\$ 46,950.00	

DELIVERY: Within
 Minimum shipment:

1-2 Days	3-5 Days	10 Days	
\$250.00	2 Cases	\$400.00	

CONTACT INFO Hrs of Operations
 24 Hr Phone #
 Fax #

8AM-12PM Sat	M-F		
8AM-5PM M-F	8AM-4:30PM	9AM-6PM	
(586) 540-7635	(586) 978-7400	(248) 414-9438	
(586) 795-2553	(586) 978-7600	(248) 486-4010	

DESCRIPTIVE LITERATURE: Marked

Attachment A	Blank	X	
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INSURANCE: Can meet
 Cannot meet
 Signed Y or N

XX	XX	Page Missing	
Y	Y	Page Missing	

PAYMENT TERMS:

2%, 10 Days			
Net 30 Days	Net 30 Days	Page Missing	

WARRANTY:

Manufacturer	Blank	Page Missing	
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ALL OR NON-AWARD - Box Y or N

Y	N	Page Missing	
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EXCEPTIONS:

\$75 shipping	Blank	Page Missing	
fee will apply			
for order under			
min ship amount			

ACKNOWLEDGEMENT: Signed Y or N

Y	Y	Page Missing	
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PROPOSAL -- One-Year Requirements of Custodial Supplies