



## CITY COUNCIL AGENDA ITEM

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April 29, 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 – Aggregates

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### **Background**

On April 18, 2011, Troy City Council approved one-year contracts to provide Aggregate Material with an option to renew for one (1) additional year to various low bidders (Resolution #2011-04-085-J4b). On April 21, 2011, Richmond Transport Inc realized they made a calculation error when bidding the 6A Slag and withdrew their bid. Since this occurred after the award by City Council, Richmond Transport is considered in breach of contract. Richmond Transport received a written notification of default and remedies for reinstatement as a potential vendor after three (3) years.

After a review of the bid results to determine the next lowest bidder, it is in the City's best interest to re-award the contract to B&W Landscape Supply of Clinton Township, MI. B&W was contacted and verified they could honor the pricing as originally quoted.

### **Recommendation**

City management recommends Troy City Council rescind with prejudice the contract approved on April 18, 2011, to Richmond Transport, Inc for 6A Slag, Aggregate Material (Resolution #2011-04-085-J4b) and re-award the contract to the next lowest bidder, B&W Landscape Supply at a unit cost of \$13.23 per ton, as contained on the bid tabulation opened March 22, 2011.

### **Fund Availability**

Funds are available in the various departmental operating budgets of the Public Works division. Annual costs under the new contract with B&W Landscape Supply will increase an estimated \$1,515.00, when compared with pricing submitted by Richmond Transport Inc.

RESOLVED, That Troy City Council hereby **AWARDS** contracts to provide one-year requirements of Transit Mixed Concrete with an option to renew for one additional year to the low bidders, McCoig Materials/Koenig Fuel & Supply of Plymouth, MI as the primary supplier, and Superior Materials of Farmington Hills, MI as the secondary supplier, at unit prices contained in the bid tabulation opened March 22, 2011, a copy of which shall be **ATTACHED** to the original Minutes of this meeting for an estimated total cost of \$138,000.00, to commence May 1, 2011, and expire April 30, 2012.

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 - Aggregates**

Resolution #2011-04-085-J-4b

RESOLVED, That Troy City Council hereby **AWARDS** one-year contracts to provide Aggregate Material with an **OPTION** to renew for one (1) additional year to the following low bidders:

<b>Recommended Vendors</b>	<b>Item / Description</b>	<b>Price/Ton</b>
Boulevard & Trumbell Towing	6. Crushed Concrete 1" – 3"	\$8.48
Tri-City Aggregates	2. 22A Gravel	\$8.00
	5. Fill Sand	\$5.50
B&W Landscape Supply	10. Mason Sand	\$9.97
	11. Limestone 1" – 3"	\$12.47
Richmond Transport Inc	1. 6A Slag	\$10.20
Novak Construction	3. Pea Stone	\$11.49
	4. 60/40 Gravel	\$12.25
	8. Chloride Sand	\$14.95
	9. 2NS Sand	\$8.95
	12. Limestone 3" – 6"	\$17.25
Osburn Industries Inc	13. Limestone 4" – 8"	\$15.85

at the unit prices stated above and confirmed with unit prices contained in the bid tabulation opened March 22, 2011, copy of which shall be **ATTACHED** to the original Minutes of this meeting, with contracts expiring April 30, 2012.

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 Bidders: Printing/Distribution of Water and Sewer Bills**

Resolution #2011-04-085-J-4c

RESOLVED, That the Troy City Council hereby **AWARDS** a one (1) year contract to provide laser printing and distribution of the City of Troy Water and Sewer Bills, with an option to renew for three (3) additional years to the low total bidder, LaserCom LLC of Troy, MI, for an



**RICHMOND TRANSPORT, INC.**

M.P.S.C. L-21679

4020 COUNTY LINE LENOX, MICHIGAN 48050  
(586) 727-1627 • FAX: (586) 727-3094

April 21, 2011

City of Troy  
ATTN: Julie / Purchasing Department  
500 W. Big Beaver Road  
Troy, MI 48084

RE: 6A Slag

Due to a calculation error when bidding the 6A Slag, Richmond Transport Inc. is withdrawing the quote of \$10.20 per ton.

I apologize for the inconvenience and am aware that this default will effect our bidding process.

Sincerely

A handwritten signature in black ink that reads 'Daniel J. Manchik'. The signature is written in a cursive, flowing style.

Daniel Manchik  
Estimating

APR 25 11 13:46:00

sl

VENDOR NAME:

VENDOR NAME:			Boulevard & Trumbell Towing Inc	Tri-City Aggregates, Inc	B & W Landscape Supply
ITEM	EST QTY/TONS	DESCRIPTION	PRICE/TON	PRICE/TON	PRICE/TON
1.	500	6A SLAG	No Bid	No Bid	\$ 13.23
2.	1000	22A GRAVEL	No Bid	\$ 8.00	\$ 9.33
3.	300	PEA STONE	No Bid	No Bid	\$ 13.74
4.	100	60/40 GRAVEL	No Bid	No Bid	\$ 14.69
5.	2500	FILL SAND	No Bid	\$ 5.50	\$ 6.69
6.	100	CRUSHED CONCRETE, 1" - 3"	\$ 8.48	No Bid	\$ 8.87
7.	100	CRUSHED CONCRETE, 3" - 6"	No Bid	No Bid	No Bid
8.	250	CHLORIDE SAND	No Bid	No Bid	No Bid
9.	100	2NS SAND	No Bid	No Bid	\$ 9.77
10.	100	MASON SAND	No Bid	No Bid	\$ 9.97
11.	100	LIMESTONE 1" - 3"	No Bid	No Bid	\$ 12.47
12.	50	LIMESTONE 3" - 6"	No Bid	No Bid	No Bid
13.	50	LIMESTONE 4" - 8"	No Bid	No Bid	\$ 17.72
DISCOUNT IF AWARDED ALL ITEMS			-	-	-
<b>ESTIMATED TOTAL:</b>			\$ 848.00	\$ 21,750.00	\$ 43,255.00
<b>ESTIMATED TOTAL AWARDED ITEMS:</b>			<b>\$ 848.00</b>	<b>\$ 21,750.00</b>	<b>\$ 8,859.00</b>
DELIVERY: Within Hours			2 Hours	24 Hours	24 Hours
MINIMUMS:			50 Tons	50 Tons	50 Tons
ALL OR NONE AWARD: Y or N			N	N	N
CONTACT INFORMATION					
Hrs of Operation			7AM-6PM	6AM-4PM M-F	8AM-4PM M-Sat
24 Hr. Phone No.			(586) 939-6200	(248) 634-8277	(586) 463-0545
INSURANCE Can Meet Cannot Meet			XX	XX	XX
PAYMENT TERMS:			N/A	Net 30 Days	Net 30
EXCEPTIONS:			Pricing firm 120 days	No	immediate delivery must be made to non-weight restricted facility

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

HIGHLIGHTED AREAS DENOTES LOW BIDDERS

**DEFAULT:**

Richmond Transport Inc - (6A Slag @ \$10.20/ton) Reason: Withdrew bid after award

VENDOR NAME:			Edward C. Levy Co	Novak Construction	Osburn Industries, Inc	Tebben Brothers Ltd
ITEM	EST QTY/TONS	DESCRIPTION	PRICE/TON	PRICE/TON	PRICE/TON	PRICE/TON
1.	500	6A SLAG	\$ 13.93	Alt: 6A Natural at \$12.50/Ton \$ 13.50	\$ 14.45	\$ 16.00
2.	1000	22A GRAVEL	\$ 9.70	\$ 9.25	\$ 10.00	\$ 11.50
3.	300	PEA STONE	\$ 13.13	\$ 11.49	\$ 13.85	\$ 15.50
4.	100	60/40 GRAVEL	\$ 14.28	\$ 12.25	\$ 14.45	\$ 16.50
5.	2500	FILL SAND	Alt: Class II GR \$ 7.23	\$ 6.25	\$ 7.15	\$ 7.25
6.	100	CRUSHED CONCRETE, 1" - 3"	Alt: 3X1 BF \$ 13.93	\$ 10.50	\$ 10.53	\$ 11.50
7.	100	CRUSHED CONCRETE, 3" - 6"	No Bid	No Bid	No Bid	No Bid
8.	250	CHLORIDE SAND	No Bid	\$ 14.95	\$ 24.50	\$ 22.00
9.	100	2NS SAND	\$ 10.03	\$ 8.95	\$ 10.20	\$ 11.00
10.	100	MASON SAND	Alt: Mortar Sand \$ 12.02	\$ 10.27	\$ 12.60	\$ 11.00
11.	100	LIMESTONE 1" - 3"	\$ 19.50	\$ 13.49	\$ 13.60	\$ 15.00
12.	50	LIMESTONE 3" - 6"	No Bid	\$ 17.25	No Bid	No Bid
13.	50	LIMESTONE 4" - 8"	No Bid	\$ 19.50	\$ 15.85	\$ 22.50
DISCOUNT IF AWARDED ALL ITEMS			-	5%	-	-
				\$ 45,693.00		
<b>ESTIMATED TOTAL:</b>			\$ 45,655.00	\$ 46,193.00	\$ 52,310.50	\$ 55,400.00
<b>ESTIMATED TOTAL W/DISCOUNT:</b>			-	Alt: \$43,408.35 \$ 43,883.35	-	-
<b>ESTIMATED TOTAL AWARDED ITEMS:</b>				\$ 10,167.00	\$ 792.50	
DELIVERY: Within Hours			24 Hours	24 Hours	24 Hours	48 Hours
MINIMUMS:			50 Tons	50 Tons	50 Tons	50 Tons
ALL OR NONE AWARD: Y or N			N	N	N	N
CONTACT INFORMATION						
Hrs of Operation			7AM-5PM M-F	7AM-5PM	8AM-5PM	7AM-10PM
24 Hr. Phone No.			(313) 429-5389	(810) 358-7977	(313) 363-0077	(248) 652-7188
INSURANCE Can Meet Cannot Meet			XX	XX	XX	XX
PAYMENT TERMS:			Net 30 Days	30 Days	N/A	Net 30 Days
EXCEPTIONS:			See Material Guides for Alt Bids	Blank	None	Item 2: 22A Limestone Avail at add'l cost Train loads - if fuel over \$5 price will increase

ATTEST:  
 Julie Hamilton  
 Diane Fisher  
 Jeffrey Biegler  
 Marina Basta Farouk

Susan Leirstein CPPO CPPB  
 Purchasing Director