



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM



Date: September 19, 2022

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Rob Maleszyk, Chief Financial Officer  
Dee Ann Irby, Controller  
Kurt Bovensiep, Public Works Director  
Brian Varney, Fleet Operations Manager  
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 2: Low Bidder Meeting Specifications – Fuel Island Renovations – Department of Public Works and City Hall, and  
Standard Purchasing Resolution 5: Approval to Expend Budgeted Funds – Fuel Island Renovations – Construction Management

### History

- The City's on-site fueling facilities are critical to our daily operations and emergency response, and are used daily by the City's fleet.
- The fuel islands at the Department of Public Works were constructed in 1974 and the City Hall fuel island was constructed in 1979.
- The two (2) 12,000-gallon fuel tanks at the DPW and the one (1) 12,000-gallon tank at City Hall have reached their end of life cycle and must be replaced.
- Replacement of these fuel facilities will ensure dependable storage, delivery and management for the City's fleet for the next generation.
- On November 22, 2021 Troy City Council approved expending budgeted capital funds to *OHM Advisors (OHM) of Livonia, MI*, which is one of the City's professional service engineering firms, (Resolution #2021-11-176-J-4a), to complete the design and necessary engineering documents for the fuel island renovations at the Department of Public Works and City Hall locations.

### Purchasing

- On September 1, 2022 a bid opening was conducted as required by the City Charter/Code for the Fuel Island Renovations at the Department of Public Works and City Hall locations.
- The bid was posted on the MITN Purchasing Group website; [www.bidnetdirect.com/city-of-troy-mi](http://www.bidnetdirect.com/city-of-troy-mi).
- Two Hundred and thirty-one (231) vendors were notified via the MITN website. Three (3) bids were received. The summary of the vendor responses is detailed below.

<b>Companies notified via MITN</b>	<b>231</b>
Troy Companies notified via MITN	7
Troy Companies notified Active email Notification	6
Troy Companies - Active Free	1
<b>Companies that viewed the bid</b>	<b>76</b>
Troy Companies that viewed the bid	0

*MITN provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.*

**Active MITN** members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.

**Active MITN non-paying members** are responsible to monitor and check the MITN website for opportunities to do business with the City. **Inactive MITN member** status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.



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### Purchasing (continued)

- After reviewing the bid proposals with OHM, *Phoenix Environmental, Inc of Plymouth, MI* was the low bidder meeting specifications and is being recommended.
- The lowest bidder did not meet specifications because they failed to provide the required bid surety.

The current contract with OHM Advisors (OHM) was renewed by City Council on May 23, 2022 for engineering and design services (Resolution #2022-05-071-J-4b). Under the current contract pricing, OHM proposes a Construction Phase Service fee of \$195,000.00 Services will include the administration, oversight, and any necessary testing of the project per the attached detailed proposal.

### Financial

- Funds are budgeted and available in the Public Works Capital Fund with associated project numbers 2022C0101 and 2023C0090 for the 2023 fiscal year.
- Total available budget in Project Number 2023C0090 is \$1,120,000. Estimated total cost for this project is \$1,275,104. Additional funds are available in the Fleet Capital Fund to cover the shortfall of \$155,104 in the unused portion of Project Number 2022C0101.
- Expenditures will be charged to account number 661.549.565.7975.900. Since this project is schedule to be constructed in two fiscal years, any unused funds in fiscal year 2023 is proposed to roll over to fiscal year 2024.

Fuel Island Renovations	Cost	Project Number	Budget
Department Public Works	\$1,275,104	2023C0090	\$1,120,000
City Hall	\$ 484,270	2022C0101	\$1,183,000
Contingency 10%	\$ 195,438	2022C0101	
Construction Phase Services	\$ 195,000	2022C0101	
<b>Total Cost</b>	<b>\$2,149,812.00</b>		<b>\$2,303,000</b>

### Recommendation

City Management recommends awarding a contract for the Fuel Island Renovations at the Department of Public Works and City Hall locations to the low bidder meeting specifications; *Phoenix Environmental, Inc of Plymouth, MI* for an estimated cost of \$1,759,374 and a 10% contingency amount of \$195,438, for an estimated total cost of \$1,954,812.

City Management further recommends granting the authority to expend budgeted capital funds to *OHM Advisors (OHM) of Livonia, MI*, for the Construction Phase Services for the fuel island renovations at the Department of Public Works and City Hall locations for an estimated total cost of \$195,000.

CITY OF TROY  
TABULATION  
FUEL ISLAND & TANK REPLACEMENT

VENDOR NAME:	R.W. Mercer Co.	Phoenix Environmental, Inc.	Oscar W. Larson Co.
CITY:	Jackson, MI	Plymouth, MI	Clarkston, MI
CHECK AMOUNT:	\$25,000	\$25,000	
CHECK #:	119006	517256373-5	Not Provided

**PROPOSAL:** Proposal shall include the total cost of all labor, materials, tools, equipment and supervision required to complete the Fuel Island and Tank Replacement project at the Troy Civic Center/Police Station

**BASE BID:** Proposal shall include the total cost of all labor, materials, tools, equipment and supervision required to complete the Fuel Island and Tank Replacement project at the Troy Civic Center/Police Station and DPW facilities as per all work herein described and/or shown on the plans, drawings and as per all bid specifications.

PROPOSAL 1) DPW - TOTAL BASE BID PRICE	\$1,518,214.00	\$1,275,104.00	\$512,815.00
PROPOSAL 2) Civic Center - TOTAL BASE BID PRICE	\$727,469.00	\$484,270.00	\$905,258.00
DISCOUNT offered if awarded both projects:	None Offered	None Offered	None Offered
If discount is offered, DEDUCT:		"1 Year of LARA Inspections and one added year of Warranty"	
TOTAL PROPOSAL 1 & 2	\$2,245,683.00	\$1,759,374.00	\$1,418,073.00
ALTERNATE 1: Description of work: Removal and installation of new fence as specified and indicated on drawings.	\$92,417.00	\$49,364.00	\$25,000.00
ALTERNATE 2: Description of work: Seal and stripe parking lot as specified and indicated on drawings.	\$10,440.00	\$10,730.00	\$7,500.00
TOTAL PROPOSAL 1 & 2 and Alternates 1 & 2	\$2,348,540.00	\$1,819,468.00	\$1,450,573.00

**UNIT PRICES:** The amounts below will be added to the Contract Sum on performance and measurement of the individual items of Work for quantities above those identified on the drawings which are included in the base bid price.

Unit Price No. 01: Removal of unsatisfactory soil and replacement with satisfactory soil material.	\$172.50	\$96.36	\$31.62
Unit Price No. 02: Cutting and patching of concrete slabs-on-grade.	\$42.55	\$23.10	\$10.00
Unit Price No. 03: Removal of Curb and Gutter.	\$28.75	\$34.54	\$3.00
Unit Price No. 04: Removal of Pavement.	\$25.30	\$95.49	\$3.00
Unit Price No. 05: Provide and install 21AA Aggregate Base, 6 inches.	\$23.00	\$25.74	\$27.00
Unit Price No. 06: Provide and install 21AA Aggregate Base, 8 inches.	\$28.75	\$34.65	\$29.00
Unit Price No. 07: Provide and install 21AA Aggregate Base, 10 inches.	\$34.50	\$43.07	\$31.00
Unit Price No. 08: HMA, 36A.	\$655.00	\$627.00	\$35.00
Unit Price No. 09: HMA, 13A.	\$288.00	\$275.00	\$36.00
Unit Price No. 10: HMA, 11A.	\$242.00	\$231.00	\$37.00
Unit Price No. 11: Concrete, 6 inch.	\$7.20	\$13.20	\$8.00
Unit Price No. 12: Concrete, 10 inch.	\$8.58	\$23.16	\$11.00
Unit Price No. 13: Concrete Curb and Gutter.	\$46.00	\$49.50	\$35.00
Unit Price No. 14: Removal of contaminated soil and disposal and replacement with satisfactory soil material.	\$184.00	\$98.04	\$37.00

Prime Bidder attended Pre-Bid meeting:	Y/N	Y	Y	Y
Document 00 43 21 ALLOWANCE FORM Attached:	Y/N	Y	Y	N
Bidder Questionnaire Provided & Signed:	Y/N	Y	Y	Y
CONTACT INFORMATION: Hours of Operation:		8:00AM - 5:00PM	7:00AM - 4:00PM	7:00AM - 5:00PM
24 Hr. Contact Phone No.:		517-787-2960	734-216-5963	810-407-9146
Proposed Payment Schedule:		Monthly for completed work; Net 30 days	Monthly billing on last day of the month until project is complete.	Net 30
References Provided:	Y/N	Y	Y	Y
Can Meet Insurance Requirements:	Y/N	Y	Y	Y
Warranty:		2 Year	2 Year	1 Year
Completion:		10/27/2023	On or before 10/27/23	Not Specified
Exceptions:		Material pricing based on current conditions. Increases may apply depending on market conditions in 2023.	prints. 20psi tank unavailable per STI rules. Per drawings on C-8 no steel is added to concrete.	NONE
Acknowledgement:	Y/N	Y	Y	Y
Addendums 1 & 2:	Y/N	Y	Y	N
Forms:	Y/N	Y	Y	N

**Low Bidder Meeting Specifications**

Attest:  
(\*Bid Opening conducted via a Zoom Meeting)  
Brian Varney  
Heather Chomiak

Emily Frontera  
Purchasing Manager

September 8, 2022

Mr. Brian Varney  
City of Troy  
Fleet Operations Manager  
4693 Rochester Rd.  
Troy, MI 48085

RE: Proposal for Construction Phase Services  
Fuel Island Replacement Project

Dear Mr. Varney:

With the completion of design and bidding phases, this project will be under construction soon. We understand the City of Troy desires to have OHM Advisors assist with the oversight of the project during construction. This letter presents our proposed scope of services for contract administration, construction field services, and testing.

### **SCOPE OF SERVICES**

Our Scope of Services for this work will be completed as four tasks with a schedule starting in October 2022 and Final Completion of the project anticipated to be October of 2023.

#### **Task 1: Contract Administration**

Contract administration services will begin immediately following the award of a contract to a contractor. OHM will provide organized information to outline the progress of the project from contractor initiation to completion of final punch list items.

- ▶ Organize and schedule Pre-Construction meeting on-site with contractor, sub-contractor(s) and Owner's representative(s) and other project stakeholders to coordinate project delivery, schedules, meetings and dates of importance.
- ▶ Provide review of Shop Drawings, Product Data and Samples for the purpose of conformance with the intent of the Construction Documents.
- ▶ Review and monitor Contractor's construction schedule
- ▶ Provide responses to field questions and Request for Information (RFIs).
- ▶ Organize and schedule bi-weekly progress meetings with contractor, sub-contractor and owner's representative to review project, coordinate open issues and construction schedule. (estimated 22 progress meetings for project).
- ▶ Project engineer to coordinate field testing and staking schedules with contractor while on-site and schedule accordingly.
- ▶ Prepare Proposal Requests and Construction Change Directives and authorize minor changes that do not affect the Contract Sum and/or Contract Time.
- ▶ Prepare and process Change Orders for City review and approval
- ▶ Review and Certify the contractor's Application for Payment, monthly.
- ▶ Prepare and perform a final punchlist walk through with the contractor and an owner representative(s).
- ▶ Coordinate with Contractor to determine the dates of Substantial Completion and Final Completion.
- ▶ Confirm the completion of the final punchlist.
- ▶ Prepare and submit record drawings to City based on Contractor red lines and field notes.

#### **Task 2: Construction Observation Services**

This task includes on site construction observation by an OHM Construction Technician performed during the construction phase of the project.



- ▼ OHM construction technician to provide full-time observation during excavation, tank removal, grading, utility installation, paving, and part-time observation during restoration activities.
- ▼ OHM representative will communicate inconsistencies with design intent with the contractor on-site.
- ▼ Prepare daily construction observation reports documenting work completed each day on site noting field installed conditions and any variance to the design.

### Task 3: Field Testing

This task includes testing services performed during the construction phase of the project.

- ▼ OHM will utilize G2 or LLC Consulting for Construction material testing. OHM to coordinate timing and required tests for completion of work; OHM will review reports for specification compliance. G2 and LLC Consulting will perform their services, for soil testing during tank removal, subgrade preparation, foundation construction, steel construction and bituminous paving operations as needed and directed by OHM Advisors

### Task 4: Staking

The construction staking work performed will be performed one-time for the site improvements, as requested by the Contractor, up to 8 separate mobilizations. OHM Advisors anticipates that the effort will consist of construction staking for the concrete and asphalt pavement, curb and gutter, light pole and other miscellaneous items.

- ▼ Service elements include:
  - Establish/Verify Horizontal & Vertical Control
  - Review Construction Plans and Create Staking Alignments
  - Provide Construction Staking as requested

## COMPENSATION & SCHEDULE

OHM Advisors will perform the outlined services above based on hourly basis not to exceed, in accordance with our current contract with the City. The following are the estimated costs for the project:

TASK	FEE
Task 1: Contract Administration Services	\$45,000
Task 2: Construction Observation Services	\$100,000
Task 3: Testing	\$30,000
Task 4: Staking	\$20,000
<b>TOTAL</b>	<b>\$195,000</b>

## ASSUMPTIONS, EXCLUSIONS & OWNER RESPONSIBILITIES

OHM Advisors is prepared to complete the work as outlined above per our understanding of the project, which includes the following assumptions, exclusions and identified Owner responsibilities.

- ▼ OHM Advisors point of contact for this project is Brian Varney.
- ▼ Estimated observation hours on-site is 1000 hours based on a 22 week on-site construction schedule.
- ▼ Existing and/or As-built Cross Sections
- ▼ Quantity Calculations
- ▼ Re-staking due to contractor errors and miscommunications.
- ▼ Permit and application fees to be paid by others if applicable.

## ACCEPTANCE

Work will be done in accordance with the terms and conditions of the Continuing Services Agreement between OHM and the City. If this proposal is acceptable to you, please provide signature below or e-mail confirming us to proceed on the project.

Thank you for giving us the opportunity to be of service. We look forward to working with you on this project. This proposal is valid for 60 days from the date of this letter.



**Orchard, Hiltz, & McCliment, Inc.**

CONSULTANT

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Christopher Ozog, AIA  
(Name)

\_\_\_\_\_  
Project Manager  
(Title)

\_\_\_\_\_  
September 2, 2022  
(Date)

Cc: Rhett Gronevelt, Principal, OHM Advisors

**City of Troy**

OWNER

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

DRAFT