**Standard Purchasing Resolution 2: Award to Low Bidder Meeting Specifications – Sidewalk Replacement and Installation Program, and Manhole Rehabilitation**

Resolution #2021-08-131-J-4d

RESOLVED, That in the best interest of the City, Troy City Council hereby **AWARDS** a one (1) year contract with the option to renew for two (2) additional years to the lowest qualified bidder meeting specifications, *Merlo Construction of Milford, MI,* to provide Sidewalk Replacement Services not to exceed budgetary limitations at the unit prices as detailed in the bid tabulation opened August 12, 2021, a copy of which shall be **ATTACHED** to the original Minutes of this meeting and as detailed below by year; with the contract expiring June 30, 2024.

**1 Year Contract Amount**

Contract year 1 $ 500,000.00
Year 1 Renewal $ 500,000.00
Year 2 Renewal $ 500,000.00
Total for 3-year contract $1,500,000.00

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

# PURCHASE ORDER

No. 2022-00000270
DATE: 09/20/2021
PAGE: 1 of 1
FOB DESTINATION

**Ship To**
CITY OF TROY
Streets
4693 ROCHESTER ROAD
TROY, MI 48085

**Bill To**
CITY OF TROY
Streets
4693 ROCHESTER ROAD
TROY, MI 48085

**COUNCIL RESOLUTION**
2021-08-131-J-4d

**VENDOR NO.** 169822

**Vendor**
MERLO CONSTRUCTION
4964 TECHNICAL DR
MILFORD, MI 48381

| QUANTITY | UNIT | DESCRIPTION | UNIT COST | TOTAL COST |
|---|---|---|---|---|
| 1 | Not-To-Exceed | Sidewalk Replacement | 500,000.0000 | $500,000.00 |
| | | Entered By: Andrew Chambliss | | $500,000.00 |

Special Instructions:

Council Award Date: 8/30/21 STANDARD PURCHASING RESOLUTION 2 – Award to Lowest Qualified Bidder Meeting Specifications – Sidewalk Replacement Program CERTIFICATES OF INSURANCE and ENDORSEMENTS and all other specified requirements shall be on file for duration of project.

TERMS & CONDITIONS

1. Purchases of Municipalities are exempt from State Sales and Federal Excise Taxes.
2. Prior to acceptance, vendor agrees to provide City with information under the Right-to-Know Law, P.A. 1986, No. 80, and fully comply with all terms and conditions of the Michigan Occupational Safety and Health Act, MCL 408.1001, et seq. including vendor shall provide City with an "MSDS". Vendor also agrees to be responsible for all required labeling.
3. In cases of emergency/disaster, the City can purchase up to six(6) times the order amount for a period of six(6) months at the price contained in the contract.
4. Purchase Orders are signed electronically based upon computer generated "on-line" authorized approvals. Authentic signatures are on file in the City of Troy Purchasing Department.

NOTICE: The City could put the vendor on notice that vendors will be held financially responsible for any claims or awards made against the City as a result of the vendor's action. If the City has to defend the initial lawsuit, the City will bring in the vendor as a co-defendant or sue the vendor, either as the result of settling a claim or the conclusion of the lawsuit.

I HEREBY CERTIFY THAT THIS ORDER IS PROPERLY AUTHORIZED AND APPROVED. Andrew K. Chambliss

Opening Date: 08/12/2021
Date Reviewed: 08/12/2021

CITY OF TROY
BID TABULATION
SIDEWALK REPLACEMENT & INSTALLATION



| | | | | |
|---|---|---|---|---|
| VENDOR NAME: | Audia Concrete Const. Inc | Great Lakes Contracting Solutions, | Italia Construction Inc. | Merlo Construction |
| CITY: | Milford | Waterford | Washington | Milford |
| CHECK #: | 35045450 | 420410883 | 2014804582 | 2320131 |
| CHECK AMOUNT: | $10,000.00 | $10,000.00 | $10,000.00 | $10,000.00 |

**PROPOSAL: For the CITY OF TROY SIDEWALK REPLACEMENT AND INSTALLATIONPROGRAM, AND MANHOLE REHABILITATION FOR ONE (1) YEAR (2021-2022) WITH AN OPTION TO RENEW FOR TWO (2) ADDITIONAL ONE (1) YEAR PERIODS**

**PROPOSAL A: Sidewalk Replacement and Sidewalk Installation Program: Local and Major Roads and Scattered Locations within the City of Troy**

| ITEM # | DESCRIPTION | EST QTY ONE (1) | UNIT | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Remove and Replace 4" Concrete | 75,000 | S.F. | $7.95 | $596,250.00 | $9.60 | $720,000.00 | $5.13 | $384,750.00 | $6.35 | $476,250.00 |
| 2 | Remove and Replace 6" Concrete | 40,000 | S.F. | $8.30 | $332,000.00 | $10.70 | $428,000.00 | $6.33 | $253,200.00 | $7.50 | $300,000.00 |
| 3 | Remove and Replace 8" Concrete | 5,000 | S.F. | $9.20 | $46,000.00 | $11.60 | $58,000.00 | $6.98 | $34,900.00 | $9.50 | $47,500.00 |
| 4 | Adjusting Drainage Structure | 45 | EA | $690.00 | $31,050.00 | $450.00 | $20,250.00 | $110.00 | $4,950.00 | $325.00 | $14,625.00 |
| 5 | Reconstruct Drainage Structure | 40 | L.F. | $200.00 | $8,000.00 | $230.00 | $9,200.00 | $110.00 | $4,400.00 | $75.00 | $3,000.00 |
| 6 | Remove and Replace Concrete Curb & Gutter, if needed. | 1,200 | L.F. | $34.00 | $40,800.00 | $38.90 | $46,680.00 | $24.00 | $28,800.00 | $40.00 | $48,000.00 |
| 7 | Install Handicap Ramps per MDOT R-28-H | 7,500 | S.F. | $34.00 | $255,000.00 | $12.50 | $93,750.00 | $6.13 | $45,975.00 | $9.00 | $67,500.00 |
| 8 | Remove Concrete & replace with top soil & seed | 2,000 | S.F. | $3.85 | $7,700.00 | $3.00 | $6,000.00 | $1.00 | $2,000.00 | $4.00 | $8,000.00 |
| 9 | Tree Root Grind | 350 | EA | $100.00 | $35,000.00 | $125.00 | $43,750.00 | $13.00 | $4,550.00 | $50.00 | $17,500.00 |
| 10 | Class "A" Culvert, 12", if needed | 10 | L.F. | $130.00 | $1,300.00 | $79.20 | $792.00 | $20.00 | $200.00 | $150.00 | $1,500.00 |
| 11 | 6" Edge drain, if needed | 250 | L.F. | $18.00 | $4,500.00 | $14.60 | $3,650.00 | $1.00 | $250.00 | $20.00 | $5,000.00 |
| 12 | Install Concrete Sidewalk, 4" as per specs. | 5,000 | S.F. | $7.95 | $39,750.00 | $8.75 | $43,750.00 | $3.83 | $19,150.00 | $6.00 | $30,000.00 |
| 13 | Install Concrete Sidewalk, 6" as per specs. | 500 | S.F. | $8.30 | $4,150.00 | $9.50 | $4,750.00 | $4.83 | $2,415.00 | $8.00 | $4,000.00 |
| 14 | Install Concrete Sidewalk, 8" as per specs. | 250 | S.F. | $9.20 | $2,300.00 | $10.50 | $2,625.00 | $5.83 | $1,457.50 | $9.00 | $2,250.00 |
| 15 | Install HCR Cheek Walls, 0"-18' in height | 50 | L.F. | $49.00 | $2,450.00 | $21.00 | $1,050.00 | $9.00 | $450.00 | $80.00 | $4,000.00 |
| 16 | Traffic Maintenance | Included | Included | Included | | Included | | Included | | Included | |
| 17 | Soil Erosion Control | Included | Included | Included | | Included | | Included | | Included | |
| 18 | Restoration | Included | Included | Included | | Included | | Included | | Included | |
| **PROPOSAL A: TOTAL ESTIMATED COST** | | | | **$1,406,250.00** | | **$1,482,247.00** | | **$787,447.50** | | **$1,029,125.00** | |

**PROPOSAL B: SANITARY MANHOLE REHABILITATION**

| ITEM | DESCRIPTION | EST QTY ONE (1) YR | UNIT | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Repair Sanitary Manhole Chimney | 25 | L.F. | $350.00 | $8,750.00 | $295.00 | $7,375.00 | $ 465.00 | $11,625.00 | $ 80.00 | $2,000.00 |
| 2 | Repair Gate Well Manhole Chimney | 25 | L.F. | $350.00 | $8,750.00 | $275.00 | $6,875.00 | $ 465.00 | $11,625.00 | $ 80.00 | $2,000.00 |
| 3 | External Seal - Sanitary Manhole Wrap | 25 | L.F. | $420.00 | $10,500.00 | $350.00 | $8,750.00 | $ 235.00 | $5,875.00 | $100.00 | $2,500.00 |
| 4 | Traffic Maintenance | Included | Included | Included | | Included | | Included | | Included | |
| 5 | Items of Excavation, Removal & Restoration | Included | Included | Included | | Included | | Included | | Included | |
| **PROPOSAL B: TOTAL ESTIMATED COST** | | | | **$28,000.00** | | **$23,000.00** | | **$29,125.00** | | **$6,500.00** | |
| **ESTIMATED GRAND TOTAL - PROPOSALS A & B:** | | | | **$1,434,250.00** | | **$1,505,247.00** | | **$816,572.50** | | **$1,035,625.00** | |

CITY OF TROY
BID TABULATION
SIDEWALK REPLACEMENT & INSTALLATION

| | | | | | |
|---|---|---|---|---|---|
| | VENDOR NAME: | Audia Concrete Const | Great Lakes Contracting Solutions, | Italia Construction | Merlo Construction |
| | CITY: | Milford | Waterford | Washington | Milford |
| **CONTACT INFORMATION:** | Hours of Operation | 7-6 M-F | 8-5 M-F | 24 hours | 7AM - 5PM |
| | 24 Hr Phone # | 313-350-0318 | 586-212-4842 | 586-405-1347 | 248-924-5017 |
| **PROGRESS PAYMENTS:** | | Pay Application Every 30 Days | Net 30 Days | Once a month | Every 30 Days |
| **REFERENCES:** | Y or N | Yes | Yes | Yes | Yes |
| **INSURANCE MET:** | Y or N | Yes | Yes | Yes | Yes |
| **PAYMENT TERMS:** | | 30 Days | Left Blank | Monthly | Monthly |
| **EXCEPTIONS:** | Y or N | NA | None | Left Blank | Left Blank |
| **FORMS COMPLETED:** | Y or N | Yes | Yes | Yes | Yes |
| **ACKNOWLEDGEMENT:** | Y or N | Yes | Yes | Yes | Yes |

**ATTEST:**
*(*Bid Opening conducted via a Go-To Meeting)*
Andrew Chambliss
Jackie Ahlstrom
Scott Carruthers

Emily Frontera
Purchasing Manager

**CITY OF TROY**
**BID PROPOSAL**

The undersigned proposes to complete the **CITY OF TROY SIDEWALK REPLACEMENT AND INSTALLATION PROGRAM, AND MANHOLE REHABILITATION FOR ONE (1) YEAR (2021-2022) WITH AN OPTION TO RENEW FOR TWO (2) ADDITIONAL ONE (1) YEAR PERIODS** in accordance with the attached specifications and diagrams that are to be considered an integral part of this proposal, at the following prices:

**COMPANY NAME:** Merlo Construction

**The document contains the following sections:**

| | |
|---|---|
| Instruction to Bidders (3 pages) | Sidewalk Ramp-Detectable Warning (2 page) |
| Bid Proposal (9 pages) | Specifications-Supplemental "Gate Wells and Sanitary Sewer Manhole (2 pages) |
| Forms (9 pages) | Diagram Details (7 pages) |
| Specifications-Instruction to Bidders (4 pages) | MDOT Update to ADA Ramps (4 pages) |
| Specifications-General Conditions (11 pages) | Public Act 57 (2 pages) |
| Specifications-Supplemental General Conditions (2 pages) | Sample Insurance Certificate (4 pages) |
| Specifications-Turf Restoration (5 pages) | Consent of Surety - Sample (1 page) |
| Concrete Pavement Durability (4 pages) | Statement of No Bid (1 page) |
| Specifications-Sidewalk/Driveway Approach (4 pages) | |

**PROPOSAL:** The undersigned as bidder declares that he/she having examined the plans and specifications with related documents and the sites of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project, including availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this Proposal A and Proposal B is part.

**INSPECTION FEES:**
The successful contractor will pay the hourly rate for any overtime incurred by the City of Troy Inspectors for all inspections that fall outside the normal eight (8) hour work day as stated below:

- $50.00 / hour - includes charge for inspector and vehicle
- Normal working hours: Monday – Friday, 7:30 a.m. – 3:30 p.m. (Excluding official City Holidays)

Any inspections that fall outside of these hours will be charged at the hourly rate listed above.

**Lane closures on major roads are only allowed between the hours of 9:00am and 3:00pm. Any exception to lane closure hours must be approved in advance and in writing by the Streets and Drains Operation Manager.**

**Locations not specified could be 8 feet wide at the major road or 5 feet wide at the local road. Unit prices will be used only if areas occur with sidewalk gaps; and sidewalk installation will be required.**

The unit price for sidewalk installation shall include all earth excavation, embankment, tree trimming, brush and shrub removal, all and any other material incidental to the project needed to complete the work.

All items of work noted on the Plans in the Specifications that are not specifically noted in the proposal shall be considered as included in the construction and shall be constructed at no extra cost to the City.

**PROPOSAL A: Sidewalk Replacement and Sidewalk Installation Program: Local and Major Roads and Scattered Locations within the City of Troy**

| ITEM # | DESCRIPTION | EST QTY ONE (1) YR | UNIT PRICE | ESTIMATED 2021/2022 TOTAL |
|---|---|---|---|---|
| 1 | Remove and Replace 4" Concrete | 75,000 S.F. | $ 6.35 | 476,250 |
| 2 | Remove and Replace 6" Concrete | 40,000 S.F. | $ 7.50 | 300,000 |
| 3 | Remove and Replace 8" Concrete | 5,000 S.F. | $ 9.50 | 47,500 |
| 4 | Adjusting Drainage Structure | 45 EA. | $ 325.00 | 14,625 |
| 5 | Reconstruct Drainage Structure | 40 L.F. | $ 75.00 | 3,000 |
| 6 | Remove and Replace Concrete Curb & Gutter, If Needed | 1200 L.F. | $ 40.00 | 48,000 |
| 7 | Install Handicap Ramps Per MDOT R-28-H | 7,500 S.F. | $ 9.00 | 67,500 |
| 8 | Remove Concrete and replace with top soil and seed | 2,000 S.F. | $ 4.00 | 8,000 |
| 9 | Tree Root Grind | 350 EA. | $ 50.00 | 17,500 |
| 10 | Class "A" Culvert, 12", If Needed | 10 L.F. | $ 150.00 | 1,500 |
| 11 | 6" Edge drain", If Needed | 250 L.F. | $ 20.00 | 5,000 |
| 12 | Install Concrete Sidewalk, 4" as per specifications | 5,000 S.F. | $ 6.00 | 30,000 |
| 13 | Install Concrete Sidewalk, 6" as per specifications | 500 S.F. | $ 8.00 | 4,000 |
| 14 | Install Concrete Sidewalk, 8" as per specifications | 250 S.F. | $ 9.00 | 2,250 |
| 15 | Install HCR Cheek Walls, 0"-18" in height | 50 L.F. | $ 80.00 | 4,000 |
| 116 | Traffic Maintenance | Included | Included | Included |
| 17 | Soil Erosion Control | Included | Included | Included |
| 18 | Restoration | Included | Included | Included |
| | **Total Estimated Cost – Proposal A** | $ 1,029,125.00 | | |

**PROPOSAL B: Sanitary Manhole Rehabilitation**

| ITEM # | DESCRIPTION | ESTIMATED QUANTITY (1) YR | UNIT PRICE | ESTIMATED YR (1) TOTAL |
|---|---|---|---|---|
| 1 | Repair Sanitary Manhole Chimney | 25 /L. Ft | 80.00 | 2,000 |
| 2 | Repair Gate Well Manhole Chimney | 25 /L. Ft | 80.00 | 2,000 |
| 3 | External Seal – Sanitary Manhole Wrap | 25 /L. Ft | 100.00 | 2,500 |
| 4 | Traffic Maintenance | Included | Included | |
| 5 | Items of Excavation, Removal & Restoration | Included | Included | |
| | **Total Estimated Cost – Proposal B** | $ 6,500.00 | | |

**ESTIMATED GRAND TOTAL - Proposal A & B** $ 1,035,625

COMPANY NAME: Merlo Construction

**UNIT PRICES:**
Unit prices prevail. The City of Troy Purchasing Department will correct all mathematical errors.

**BID DEPOSIT AND FORFEITURE:**
The bid deposit of the lowest bidder shall be forfeit if, after bid opening, a change in the bid price or other provision of the bid is required by the bidder that is prejudicial to the interest of the City of Troy or fair competition.

**ESTIMATED QUANTITIES:**
The City will not be penalized for ordering more or less than the stated quantities. The City reserves the right to increase, decrease or eliminate any quantity or item given in the proposals as these are 'good faith' estimates. Quantity changes will have no effect on the contract unit prices. The City will pay the quoted price during the entire contract period even if additional quantities are required. The quantities stated will be used for award purposes.

**DESIGNATED CITY REPRESENTATIVES:**
Scott Carruthers, Streets and Drains Operations Manager, is the designated City representative for this project and can be reached at 245.524.3501 or Scott.Carruthers@troymi.gov between the hours of 8:00 a.m. to 4:00 p.m., Monday through Friday.

**AWARD:**
The evaluation and award of this bid shall be a combination of factors, including but not limited to: cost, professional competence, equipment, references, and the correlation of the proposal submitted to the needs of the City of Troy.

The City of Troy reserves the right to award this bid to the lowest responsible total bidder meeting specifications; to reject low bids which have major deviations from specifications; to accept a higher bid which has only minor deviations whatever is deemed to be in the City of Troy's best interest

**DOWNPAYMENTS AND PREPAYMENTS:**
Any bid submitted which requires a down payment or prepayment of any kind prior to delivery of material and acceptance, as being in conformance with specifications will not be considered for award.

**DELIVERY:**
All materials are to be F.O.B. delivered, freight paid, to the various work sites within the City of Troy.

**CONTACT INFORMATION:**
Hours of operation: 7:AM - 5:00 PM 24 Hr. Contact Phone No. 248-924-5017

**LOCAL PREFERENCE:**
The City of Troy reserves the right to award a contract to a local business, one that pays City of Troy taxes (real and/or personal), if the bid of a local vendor is within 5% of the lowest responsive and responsible non-local bidder, then the local vendor is given one chance to match the low bid.

**EQUIPMENT LIST:**
Bidder shall attach a list identified as "Exhibit I" describing the equipment to be utilized on this project.

**CONTRACT FORMS:**
Bidders should complete the Legal Status of Bidder, Non-Collusion Affidavit, Certification regarding Debarment and the Certification regarding "Iran Linked Business" and the Familial Disclosure forms and include with your bid proposal.

COMPANY NAME: MERIO CONSTRUCTION

**PURCHASE ORDER:**
After the Troy City Council has approved the award, the City of Troy Purchasing Department will send an award letter to the successful bidder. The successful bidder once notified, will be required to submit the specified bonds. A purchase order will be issued in approximately one-week and released, once acceptable bonds and insurance are received. The purchase order issued in conjunction with the Contract Form (provided in the Forms Section) from the City of Troy will create a bilateral contract between the parties, and the successful bidder shall commit to perform the contract in accordance with specifications.

**CONTRACT TERMINATION:** The City of Troy shall reserve the right to terminate the contract upon written notice due to poor performance. The City of Troy designated representative will be solely responsible for determining acceptable performance levels. His/her decision will be deemed in the City of Troy's best interest and will be final. The City of Troy reserves the right to re-award the contract to the next low bidder or re-bid the contract.

**TERMINATION FOR CONVENIENCE:**
The City may cancel the contract for its convenience, in whole or in part, by giving the contractor written notice 30 days prior to the date of cancellation. If the City chooses to cancel this contract in part, the charges payable under this contract shall be equitably adjusted to reflect those services that are cancelled.

**PROGRESS PAYMENTS:**
The City of Troy will consider a progress payment schedule for work as completed in accordance with specifications. (See Supplemental General Conditions, page 1 of 2 and General Conditions, Section 7; page 6 of 10). The Project Manager will have final approval of the schedule as presented. No payments for work will be made until the designated City representative approves the work as complete in accordance with specifications. Prior to release of the final payment, consent of surety document (A1A Document G707) will be required and signed by the surety Company. The City of Troy reserves the right to reject the payment schedule if deemed necessary, and determine the final schedule.

Proposed Payment
Schedule Every 30 Days

*(Please submit an attachment identified as _____ if more space is necessary.)*

**REFERENCES:**
The City of Troy requires that your company list at least three (3) clients who have recently had similar work performed by your company during the past three years.

COMPANY: City of Farmington Hills
ADDRESS: 31555 W Eleven Mile
PHONE: 248-871-2560 CONTACT: Jim Walker
EMAIL: n/a

COMPANY: City of Novi
ADDRESS: 45175 W 10 Mile Novi MI 48375
PHONE: 248-347-0454 CONTACT: Aaron Staut
EMAIL:

COMPANY: Chesterfield Township
ADDRESS: 47275 Sunnybrook Rd, Chesterfield MI
PHONE: 586-949-0400 CONTACT: Engineering Dept
EMAIL:

COMPANY NAME: Merlo Construction

**MICHIGAN CONSTRUCTION LIEN ACT:**
The bidder agrees that, if awarded the Contract he/she will abide by all requirements of the Michigan Construction Lien Act (P.A. 1980, No. 497) as amended and effective March 1, 1982, and to provide full and complete Sworn Statements on Owner-approved forms.

**PUBLIC ACT 57:**
Public Act 57 requires contractors to provide certain notices to governmental entities concerning improvements on real property; to allow for modifications of contracts for improvement of real property; to provide for remedies; and to repeal acts and parts of acts. This contract shall comply with all applicable provisions of Public Act 57 [a copy of the act is attached for reference (2 pages)].

**BOND SUBMITTAL:**
Subsequently, upon notice of award to the successful bidder, the Contractor shall qualify for, sign, and deliver to the City of Troy an executed Performance Bond, an executed Labor and Materials Payment Bond, and an executed two-year Maintenance Bond secured by a surety company, acceptable to the City of Troy by being licensed to do business in Michigan, and be included on the U. S. Treasury Department Surety List and/or have a rating of A (-) or better by A. M. Best, and/or Standard and Poor, on standard AIA forms, each in the amount of one hundred percent (100%) of the contract sum. Attorneys-in-fact who sign such bonds must attach a certified copy of their Power of Attorney when the bonds are submitted.

**SUBCONTRACTORS:**
The undersigned agrees to submit a list of proposed subcontractors, if applicable, for approval by the designated City representative within 72 hours after notification of being the low qualified bidder. The Contractor shall list the name and address of the proposed Subcontractors and sub-subcontractors when required by the City. Approval of a Subcontractor or sub-subcontractors will not be given unless and until it is determined by the City that he/she is qualified to perform the type and magnitude of work proposed and shall have executed a Subcontract or sub-subcontract in a form acceptable to the City. It will be understood that this may occur prior to bid award, but the bidder's status will not be final until approved by the Troy City Council.

The Contractor shall abide by the provisions set forth therein. Any item of work performed by other than the Contractor or approved Subcontractors will be considered as unauthorized and shall not be paid for under the provision of the Contract.

**COMPLETION SCHEDULE:**
After the award of the bid, work shall commence at the direction of the City Representative after award of bid-(weather permitting). A work schedule shall be provided to Scott Carruthers, Streets and Drains Operations Manager. The designated City representative shall approve the work schedule prior to the start of the project. His/her decision as to acceptability shall be deemed in the City of Troy's best interest. The City of Troy is the only party to this contract that may authorize amendment of this schedule. The contractor is required to start the project within 10 working days after notification to proceed. All restorations must be completed within five (5) calendar days of project area completion. Note: project area may be defined differently on each project (Section, Street, etc.) Project area will be determined by City Representative.

**MDOT SPECIFICATIONS**
The work of this contract shall be done in accordance with the specifications of the 2012 (or most current) Michigan Department of Transportation (MDOT) Standard Specifications of Construction; except when modified within contract. In addition the work shall be performed in accordance with all specification within this bid document.

COMPANY NAME: Merlo Construction

**IMPORTANT INFORMATION:**
Any work completed on or before June 30th must be invoiced by July 10th of the same year.

The actual work may vary from this proposal. The Contractor will be paid only for the work that he/she does "at unit prices quoted" which may be more or less than the quantities shown on the proposal.

The City shall have the right to require by written order, changes in, additions to, or deductions from the work required by the Contract Documents provided that if changes, additions, or deductions are made, the general character of the work as a whole is not changed thereby. Adjustments in the Contract price, if any, because of any change, addition, or deduction in the work, shall be determined as hereinafter provided, and any claim for extension of time for completion shall be adjusted at the time of ordering the change, addition, or deduction. No claim for change, addition, or deduction, or adjusting of price, or extension of time for completion thereof, shall be made or allowed unless done in pursuance of written order from the City specifically authorizing such change, addition, or deduction. Drawings without a written order shall not be considered such authority. Written notice of such claims shall be made to the designated City representative before the commencement of the work. Where the written order diminishes the quality of work to be done, this shall not constitute a basis for a claim for damages or anticipated profits on the work that may be dispensed with.

COMPANY NAME: Merlo Construction

Insurance requirements shall be in accordance with the attached **SAMPLE INSURANCE CERTIFICATE** and **ENDORSEMENT**. The required Insurance Certificate and Endorsement must be submitted to the city within 5 days of the verbal/ electronic request after the bid award. The Insurance Certificate and Endorsement may be faxed to the Purchasing Office at (248) 619-7608, and is the only bid document accepted in this format.

The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to business in the State of Michigan and acceptable to the City of Troy. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and self-insured retentions (SIR's) are the responsibility of the Contractor.

(X) We can meet the specified insurance requirements.

( ) We cannot meet the specified insurance requirements.

( ) We do not carry the specified limits but can obtain the additional insurance coverage of $ _____, at the cost of $_____.
**NOTE:** Please note the amendments on a sample insurance certificate and attach it to your bid proposal.

( ) Our proposal is reduced by $_____ if we lower the requirement to $ _____.
**NOTE:** Please note the amendments on a sample insurance certificate and attach it to your bid proposal.

**IMPORTANT:** A Certificate of Insurance on an ACORD Form showing present coverage as well as the required endorsements SHALL be attached to the proposal document at the time of submission of the proposal to the Office of the City Clerk.

**NOTE:** Failure on the part of any bidder to contact his/her insurance carrier to verify that the insurance carried by the bidder meets City of Troy specifications may result in this proposal being completed incorrectly.

**OTHER:** Sole proprietors must execute a certificate of exemption from Worker's Compensation requirements or provide proof of Worker's Compensation Insurance. All coverage shall be with insurance carriers licensed and admitted to do business in Michigan in accordance with all applicable statutes of the State of Michigan and acceptable to the City of Troy.

**INSURANCE VERIFICATION:**
A bidder shall complete the above portion, which details additional costs that may be incurred for specified coverage without purchasing the additional coverage prior to bid submission.

**ADDITIONAL INSURED:**
Commercial General Liability and Automobile Liability, as described in the attached SAMPLE shall include an endorsement stating the following shall be ***Additional Insureds:*** The City of Troy, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and council members, including employees and volunteers thereof. It is understood and agreed by naming the City of Troy as additional insured, coverage afforded is considered to be primary and any other insurance the City of Troy may have in effect shall be considered secondary and/or excess.

COMPANY NAME: MERlo CONSTRUCTION

**CANCELLATION NOTICE:**
All policies, as described above, shall include an endorsement stating that it is understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to:

City of Troy
Purchasing Manager
500 West Big Beaver
Troy, MI 48084

**PROOF OF INSURANCE COVERAGE:**
The Contractor shall provide the City of Troy, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above all shall be furnished, if so requested.

If any of the applicable coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to the City of Troy at least ten (10) days prior to the expiration date.

**LETTER VERIFICATION:**
The recommended bidder will be notified to submit a letter from the *insurance agent or carrier* that the insurance to be supplied will meet specifications. As an alternative, the recommended bidder may submit the certificate of insurance meeting specifications at this time at his/her option. ***The City must receive this letter or certificate <u>within 5 business days</u> after verbal / electronic notification has been delivered to the recommended bidder* or the bidder will be considered non-responsive and the bid un-awardable.** This process will occur before presentation of the award recommendation to the Troy City Council.

**FINAL INSURANCE CERTIFICATE SUBMISSION:**
After approval by Troy City Council, the City's Purchasing Manager will review the insurance certificates and endorsements to ensure all acceptable documents have been received and allow (5) business additional days after verbal / electronic notification to submit final insurance certificate(s) in accordance with specifications. The City of Troy reserves the right to WITHHOLD AND KEEP any bid surety for failure to comply. 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.

COMPANY NAME: Merlo Construction

## SIGNATURE PAGE

**PRICES:**
Prices shall remain firm for 60 days or bid award, whichever comes first, except the successful bidder whose prices shall remain firm through contract expiration. The one-year contract may be extended through mutual consent of both parties for two (2) additional one-year options within 90 days of contract termination. The renewal is subject to a favorable market survey and City Council approval. A request by City staff to determine a successful bidder's interest in renewing a contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

The City can accept an increase at the beginning of the first option year not to exceed the difference in the Consumer Price Index between the current year (as close to 12 months as possible) and the previous year as calculated on the CPI Inflation Calculator available on the Bureau of Labor Statistics website www.bls.gov/cpi/home.htm. The CPI Inflation Calculator uses the average Consumer Price Index for a given year. This data represents changes in prices of all goods and services purchased for consumption by urban households. For the current year, the latest month index value is used. The successful bidder must designate what portion of the contract (labor or materials) is causing the request for the increase.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: Raymond Mello

**NOTE:** The undersigned has checked carefully the bid figures and understands that he/she shall be responsible for any error or omission in this bid offer and is in receipt of all addendum as issued.

TAX ID: _____

COMPANY: Merlo Construction

ADDRESS: 4964 Technical CITY: Milford STATE: MI ZIP: 48381

PHONE: (248) 717-5486 FAX NUMBER: (___) _____

REPRESENTATIVE NAME: Raymond Mello

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: Raymond Mello

PAYMENT TERMS: 30 Days WARRANTY: Minimum Two Year

CHECK INCLUDED: _____ COMPLETION: As Specified

EMAIL: Brian@Merlomi.com

**EXCEPTIONS:**
Any exceptions, substitutions, deviations, etc. from the City of Troy specifications and this proposal must be stated below. The reason for the exception(s), deviation(s), substitution(s), are an integral part of this bid offer.

_____

_____

**ACKNOWLEDGEMENT:**
I, Raymond Mello, certify that I have read the **Instructions to Bidders** (2 Pages) and that the bid proposal documents contained herein were obtained directly from the City's Purchasing Department or MITN website, www.mitn.info and is an official copy of the Authorized Version.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: Raymond Mello

**IMPORTANT:** All City of Troy purchases require a MATERIAL SAFETY DATA SHEET, where applicable, in compliance with the MIOSHA "Right to Know" Law. Please include a copy of any relevant MSDS at the time of bid submission.

**NOTE:** The City of Troy, at their discretion, may require the bidder(s) to supply a Financial Report from an impartial Financial Credit Reporting Service before award of contract.

**US FUNDS:** All prices are to be quoted in U. S. Currency.

# Legal Status of Bidder:

**The Bidder shall fill out the appropriate form and strike out the other two:**

---

A **corporation** duly organized and doing business under the laws of the State of Michigan
For whom Raymond Merlo, bearing the office title of Ceo
_____, whose signature is affixed to this proposal, is duly authorized to execute contracts.

---

A **partnership**, all members of which, with addresses, are:

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

---

AN **INDIVIDUAL**, WHOSE SIGNATURE IS AFFIXED TO THE PROPOSAL:

_____ _____

**CITY OF TROY**
**OAKLAND COUNTY, MICHIGAN**
**NON-COLLUSION AFFIDAVIT**

TO WHOM IT MAY CONCERN:

Raymond Merlo, being duly sworn deposed, says that he/she
(Print Full Name)

is CEO. The party making the foregoing proposal or bid,
(State Official Capacity in Firm)

that such bid is genuine and not collusion or sham; that said bidder has not colluded, conspired, connived, or agree, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding and has not in any manner directly or indirectly sought by agreement or collusion, or communication or conference, with any person to fix the bid price or affiant or any other bidder, or to fix any overhead, profit, or cost element of said bid price, or that of any other bidder, or to secure the advantage against the City of Troy or any person interested in the proposed contract; and that all statements contained in said proposal or bid are true.

SIGNATURE OF PERSON SUBMITTING BID

NOTARY'S SIGNATURE

Subscribed and sworn to before me this 12th day of August, 2021 in and for Oakland County.

My commission expires:
12/31/2024

TINA A. MAHN
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Dec 31, 2024
ACTING IN COUNTY OF Oakland

TROY
MICHIGAN

## CERTIFICATION REGARDING
## DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

**The prospective participant certifies, to the best of its knowledge and belief, that it and its principals:**

1. **Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions under any non-procurement programs by any federal, state or local agency.**

2. **Have not, within the three year period preceding, had one or more public transactions (federal, state, or local) terminated for cause or default; and**

3. **Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) and have not, within the three year period preceding the proposal, been convicted of or had a civil judgment rendered against it:**

   a. **For the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction (federal, state, or local), or a procurement contract under such a public transaction;**

   b. **For the violation of federal, or state antitrust statutes, including those proscribing price fixing between competitors, the allocation of customers between competitors, or bid rigging; or**

   c. **For the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.**

**I understand that a false statement on this certification may be grounds for the rejection of this proposal or the termination of the award. In addition, the general grant of this authority exists within the City's Charter, Chapter 12, Section 12.2- Contracts.**

[X] ***I am able to certify to the above statements.***

MERlo CONSTRUCTION

**Name of Agency/Company/Firm *(Please Print)***

RAYMOND MERlo, CEO

**Name and title of authorized representative *(Please Print)***

**Signature of authorized representative**

**Date** 08-11-2021

[ ] ***I am unable to certify to the above statements. Attached is my explanation.***

VENDOR CERTIFICATION
THAT IT IS NOT AN
"IRAN LINKED BUSINESS"

**Pursuant to Michigan law, (the Iran Economic Sanctions Act, 2012 PA 517, MCL 129.311 et seq.), before accepting any bid or proposal, or entering into any contract for goods or services with any prospective Vendor, the Vendor must first certify that it is not an "IRAN LINKED BUSINESS", as defined by law.**

| Vendor | |
|---|---|
| **Legal Name** | Merlo Construction |
| **Street Address** | 4964 technical Dr. |
| **City** | Milford |
| **State, Zip** | MI, 48381 |
| **Corporate I.D. Number/State** | |
| **Taxpayer I.D. #** | 38-2987899 |

**The undersigned, with: 1.)full knowledge of all of Vendors business activities, 2.)full knowledge of the requirements and possible penalties under the law MCL 129.311 et seq. and 3.) the full and complete authority to make this certification on behalf of the Vendor, by his/her signature below, certifies that: the Vendor is NOT an "IRAN LINKED BUSINESS" as require by MCL 129.311 et seq., and as such that Vendor is legally eligible to submit a bid and be considered for a possible contract to supply goods and/or services to the City of Troy.**

**Signature of Vendor's Authorized Agent:** _____

**Printed Name of Vendor's Authorized Agent:**
Raymond Merlo

**Witness Signature:** _____

**Printed Name of Witness:**
Nicholas M Onifer III

G:\ BidLanguage_IranLinkedBusiness

**Proposer's Sworn and Notarized Familial Disclosure**
*(to be provided by the Proposer)*

**The undersigned, the owner or authorized officer of** Merlo Construction **(the "Proposer"), pursuant to the familial disclosure requirement provided in the Request for Proposal, hereby represent and warrant, except as provided below, that no familial relationships exist between the owner(s) or any employees of** Merlo Construction **and any member of the City of Troy City Council or City of Troy management.**

**List any Familial Relationships:**

**BIDDER:** Merlo Construction

**By:** [signature]

**Its:** CEO

**STATE OF MICHIGAN )**

**)ss.**

**COUNTY OF** Oakland **)**

**This instrument was acknowledged before me on the** 11 **day of** August**, 2021, by**

[signature]

TINA A. MAHN
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Dec 31, 2024
ACTING IN COUNTY OF Oakland

500 West Big Beaver
Troy, MI 48084
troymi.gov

# CITY COUNCIL AGENDA ITEM

Date: August 30, 2021

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Rob Maleszyk, Chief Financial Officer
Lisa Burnham, Controller
Kurt Bovensiep, Public Works Director
Scott Carruthers, Streets and Drains Operations Manager
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 2: Award to Low Bidder Meeting Specifications – Sidewalk Replacement and Installation Program, and Manhole Rehabilitation

---

**History**

- The Streets Division is responsible for the inspection of all sidewalks and approaches and ensuring defects are corrected to provide a safe pedestrian walkway.
- Under Chapter 34.10, residents are responsible for the maintenance and repair of sidewalks abutting their property.
- After an inspection of sidewalks, the Streets Division notifies property owners of any defects and provides an opportunity for residents to either complete the repair themselves or to participate in Troy's sidewalk program.
- Under this program, the City manages the repairs and then invoices the resident for the work.
- It is usually least expensive for residents to participate in the program and allow the City to manage the work because there is a discount for larger volumes of sidewalk repair work.
- It is estimated that residents in the program reimburse 40-60% of total sidewalk repair program expenses. The City's portion of this program are when a sidewalk defect is caused by a City asset, such as Rights-of-Way trees, manholes, or the property is owned by the City.
- The City has now added a bid component, requiring self-adjusting manhole covers. This is expected to reduce sidewalk defects caused by manhole covers.
- The City solicits bids for a contractor to perform sidewalk repairs. The current contract expired on June 30, 2021.
- The previous contractor, Italia Construction of Washington Township, MI was the lowest bidder for the new contract. However, City Administration does not recommend awarding the bid to Italia Construction, based on past performance issues and communication issues.
    - City Management has been unsuccessful in multiple attempts to get Italia Construction to timely complete the necessary work, and has fielded many calls from confused and frustrated residents because the sidewalk work was not timely completed.

## History (continued)

- The City has suffered financial loss, since the sidewalk repair cost quotes provided to residents are derived from the bid amounts. The City will need to honor these quotes, even though its costs will be increased by the inclusion of uncompleted sidewalk projects into the new bid.
- The City has been harmed because the site preparation work for uncompleted sidewalk repair projects will need to be repeated for the new contract.
- The City has been required to handle restoration of turf and private irrigation systems that should have been performed by Italia Construction.

## Purchasing

- On August 12, 2021 a bid opening was conducted as required by the City Charter/Code for Sidewalk Replacement and Installation.
- The bid was posted on the Michigan Inter-governmental Trade Network (MITN) website; www.mitn.info
- Four hundred and sixty-two (462) vendors were notified via the MITN website.
- Four (4) bid responses were received. Below is a detailed summary of potential vendors for the bid opportunity:

| | |
|---|---|
| **Companies notified via MITN** | 462 |
| Troy Companies notified via MITN | 6 |
| Troy Companies - Active email Notification | 6 |
| Troy Companies - Active Free | 0 |
| **Companies that viewed the bid** | 28 |
| 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.

- After review of the bid proposals, the lowest bidder was not selected due to past performance issues with the City's previous sidewalk replacement contract.
- *Merlo Construction of Milford, MI,* the low bidder meeting specifications and having positive references is being recommended.

## Financial

Funds are budgeted and available in the Public Works New Construction and Replacement Construction Capital Funds under Project Numbers 2022C0049, 2022C0050 and 2022C0051 for the fiscal year 2022. Expenditures will be charged to account numbers 401.447.513.7989.700 and 401.447.513.7989.650.

## Recommendation

City management recommends awarding a one (1) year contract with the option to renew for two (2) additional years to the most qualified bidder meeting specifications; *Merlo Construction of Milford, MI* for an estimated total cost of $500,000 per year at unit prices contained in the bid tabulation opened August 12, 2021 with all expenses not to exceed budgetary limitations, contract expiring June 30, 2024.

Opening Date: 08/12/2021
Date Reviewed: 08/12/2021

CITY OF TROY
BID TABULATION
SIDEWALK REPLACEMENT & INSTALLATION



| | | | | |
|---|---|---|---|---|
| VENDOR NAME: | Audia Concrete Const. Inc | Great Lakes Contracting Solutions, | Italia Construction Inc. | Merlo Construction |
| CITY: | Milford | Waterford | Washington | Milford |
| CHECK #: | 35045450 | 420410883 | 2014804582 | 2320131 |
| CHECK AMOUNT: | $10,000.00 | $10,000.00 | $10,000.00 | $10,000.00 |

**PROPOSAL: For the CITY OF TROY SIDEWALK REPLACEMENT AND INSTALLATIONPROGRAM, AND MANHOLE REHABILITATION FOR ONE (1) YEAR (2021-2022) WITH AN OPTION TO RENEW FOR TWO (2) ADDITIONAL ONE (1) YEAR PERIODS**

**PROPOSAL A: Sidewalk Replacement and Sidewalk Installation Program: Local and Major Roads and Scattered Locations within the City of Troy**

| ITEM # | DESCRIPTION | EST QTY ONE (1) | UNIT | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Remove and Replace 4" Concrete | 75,000 | S.F. | $7.95 | $596,250.00 | $9.60 | $720,000.00 | $5.13 | $384,750.00 | $6.35 | $476,250.00 |
| 2 | Remove and Replace 6" Concrete | 40,000 | S.F. | $8.30 | $332,000.00 | $10.70 | $428,000.00 | $6.33 | $253,200.00 | $7.50 | $300,000.00 |
| 3 | Remove and Replace 8" Concrete | 5,000 | S.F. | $9.20 | $46,000.00 | $11.60 | $58,000.00 | $6.98 | $34,900.00 | $9.50 | $47,500.00 |
| 4 | Adjusting Drainage Structure | 45 | EA | $690.00 | $31,050.00 | $450.00 | $20,250.00 | $110.00 | $4,950.00 | $325.00 | $14,625.00 |
| 5 | Reconstruct Drainage Structure | 40 | L.F. | $200.00 | $8,000.00 | $230.00 | $9,200.00 | $110.00 | $4,400.00 | $75.00 | $3,000.00 |
| 6 | Remove and Replace Concrete Curb & Gutter, if needed. | 1,200 | L.F. | $34.00 | $40,800.00 | $38.90 | $46,680.00 | $24.00 | $28,800.00 | $40.00 | $48,000.00 |
| 7 | Install Handicap Ramps per MDOT R-28-H | 7,500 | S.F. | $34.00 | $255,000.00 | $12.50 | $93,750.00 | $6.13 | $45,975.00 | $9.00 | $67,500.00 |
| 8 | Remove Concrete & replace with top soil & seed | 2,000 | S.F. | $3.85 | $7,700.00 | $3.00 | $6,000.00 | $1.00 | $2,000.00 | $4.00 | $8,000.00 |
| 9 | Tree Root Grind | 350 | EA | $100.00 | $35,000.00 | $125.00 | $43,750.00 | $13.00 | $4,550.00 | $50.00 | $17,500.00 |
| 10 | Class "A" Culvert, 12", if needed | 10 | L.F. | $130.00 | $1,300.00 | $79.20 | $792.00 | $20.00 | $200.00 | $150.00 | $1,500.00 |
| 11 | 6" Edge drain, if needed | 250 | L.F. | $18.00 | $4,500.00 | $14.60 | $3,650.00 | $1.00 | $250.00 | $20.00 | $5,000.00 |
| 12 | Install Concrete Sidewalk, 4" as per specs. | 5,000 | S.F. | $7.95 | $39,750.00 | $8.75 | $43,750.00 | $3.83 | $19,150.00 | $6.00 | $30,000.00 |
| 13 | Install Concrete Sidewalk, 6" as per specs. | 500 | S.F. | $8.30 | $4,150.00 | $9.50 | $4,750.00 | $4.83 | $2,415.00 | $8.00 | $4,000.00 |
| 14 | Install Concrete Sidewalk, 8" as per specs. | 250 | S.F. | $9.20 | $2,300.00 | $10.50 | $2,625.00 | $5.83 | $1,457.50 | $9.00 | $2,250.00 |
| 15 | Install HCR Cheek Walls, 0"-18' in height | 50 | L.F. | $49.00 | $2,450.00 | $21.00 | $1,050.00 | $9.00 | $450.00 | $80.00 | $4,000.00 |
| 16 | Traffic Maintenance | Included | Included | Included | | Included | | Included | | Included | |
| 17 | Soil Erosion Control | Included | Included | Included | | Included | | Included | | Included | |
| 18 | Restoration | Included | Included | Included | | Included | | Included | | Included | |
| | **PROPOSAL A: TOTAL ESTIMATED COST** | | | **$1,406,250.00** | | **$1,482,247.00** | | **$787,447.50** | | **$1,029,125.00** | |

**PROPOSAL B: SANITARY MANHOLE REHABILITATION**

| ITEM | DESCRIPTION | EST QTY ONE (1) YR | UNIT | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL | UNIT PRICE | ESTIMATED 2021/2022 TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Repair Sanitary Manhole Chimney | 25 | L.F. | $350.00 | $8,750.00 | $295.00 | $7,375.00 | $ 465.00 | $11,625.00 | $ 80.00 | $2,000.00 |
| 2 | Repair Gate Well Manhole Chimney | 25 | L.F. | $350.00 | $8,750.00 | $275.00 | $6,875.00 | $ 465.00 | $11,625.00 | $ 80.00 | $2,000.00 |
| 3 | External Seal - Sanitary Manhole Wrap | 25 | L.F. | $420.00 | $10,500.00 | $350.00 | $8,750.00 | $ 235.00 | $5,875.00 | $100.00 | $2,500.00 |
| 4 | Traffic Maintenance | Included | Included | Included | | Included | | Included | | Included | |
| 5 | Items of Excavation, Removal & Restoration | Included | Included | Included | | Included | | Included | | Included | |
| | **PROPOSAL B: TOTAL ESTIMATED COST** | | | **$28,000.00** | | **$23,000.00** | | **$29,125.00** | | **$6,500.00** | |
| | **ESTIMATED GRAND TOTAL - PROPOSALS A & B:** | | | **$1,434,250.00** | | **$1,505,247.00** | | **$816,572.50** | | **$1,035,625.00** | |

CITY OF TROY
BID TABULATION
SIDEWALK REPLACEMENT & INSTALLATION

| | | | | | |
|---|---|---|---|---|---|
| | VENDOR NAME: | Audia Concrete Const | Great Lakes Contracting Solutions, | Italia Construction | Merlo Construction |
| | CITY: | Milford | Waterford | Washington | Milford |
| **CONTACT INFORMATION:** | Hours of Operation | 7-6 M-F | 8-5 M-F | 24 hours | 7AM - 5PM |
| | 24 Hr Phone # | 313-350-0318 | 586-212-4842 | 586-405-1347 | 248-924-5017 |
| **PROGRESS PAYMENTS:** | | Pay Application Every 30 Days | Net 30 Days | Once a month | Every 30 Days |
| **REFERENCES:** | Y or N | Yes | Yes | Yes | Yes |
| **INSURANCE MET:** | Y or N | Yes | Yes | Yes | Yes |
| **PAYMENT TERMS:** | | 30 Days | Left Blank | Monthly | Monthly |
| **EXCEPTIONS:** | Y or N | NA | None | Left Blank | Left Blank |
| **FORMS COMPLETED:** | Y or N | Yes | Yes | Yes | Yes |
| **ACKNOWLEDGEMENT:** | Y or N | Yes | Yes | Yes | Yes |

**ATTEST:**
*(*Bid Opening conducted via a Go-To Meeting)*
Andrew Chambliss
Jackie Ahlstrom
Scott Carruthers

Emily Frontera
Purchasing Manager

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 1/13/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Guy Hurley, LLC
989 East South Blvd.
Suite 200
Rochester Hills MI 48307

CONTACT NAME: Christine Phillips
PHONE (A/C, No, Ext): (248) 519-1422 FAX (A/C, No): (248) 519-1401
E-MAIL ADDRESS: cphillips@ghbh.com

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: Zurich American Ins. Co. A+ XV | 16535 |
| INSURER B: American Guar. + Liability Ins A+ XV | 26247 |
| INSURER C: Safety Natl Cas Corp A+ XIV | 15105 |
| INSURER D: | |
| INSURER E: | |
| INSURER F: | |

INSURED
Merlo Construction Company, Inc
4964 Technical Drive
Milford MI 48381

COVERAGES CERTIFICATE NUMBER: 21-22 Master REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | X COMMERCIAL GENERAL LIABILITY<br>[ ] CLAIMS-MADE [X] OCCUR<br>X XCU Coverage Included<br>X Contractual Liability<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>X POLICY [X] PRO-JECT [ ] LOC<br>OTHER: | X | | GL01884464 | 2/1/2021 | 2/1/2022 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $ 2,000,000<br>$ 100,000<br>$ 10,000<br>$ 2,000,000<br>$ 4,000,000<br>$ 4,000,000<br>$ |
| B | AUTOMOBILE LIABILITY<br>X ANY AUTO<br>ALL OWNED AUTOS<br>[ ] SCHEDULED AUTOS<br>X HIRED AUTOS<br>X NON-OWNED AUTOS | X | | BAP1884465 | 2/1/2021 | 2/1/2022 | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident)<br>PIP-Basic | $ 2,000,000<br>$<br>$<br>$<br>$ |
| B | X UMBRELLA LIAB [X] OCCUR<br>EXCESS LIAB [ ] CLAIMS-MADE<br>DED RETENTION $ | | | SXS0625291 | 2/1/2021 | 2/1/2022 | EACH OCCURRENCE<br>AGGREGATE<br>$ | $ 10,000,000<br>$ 10,000,000<br>$ |
| C | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [ ]<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N/A | | MEMBER #MERLO-C | 5/1/2020 | 5/1/2021 | X PER STATUTE [ ] OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | $ 1,000,000<br>$ 1,000,000<br>$ 1,000,000 |
| A | Inland Marine | | | CPP1873351 | 2/1/2021 | 2/1/2022 | Leased/Rented Equipment | $350,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Project: Work performed by Merlo Construction Company Inc for the City of Troy. The City of Troy, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and council members, including employess and volunteers there of are Additonal Insureds for Geneal Liability (UGL1114 - attached) and Automobile Liability (UCA424FCW0414- attached) on a primary & non-contributory basis when required by written contract. 30 Day Notice of Cancellation (Except Non-Payment of Premium) applies in favor of the City of Troy for General Liability, Automobile Liability, and Umbrella Liability when required by written contract.

CERTIFICATE HOLDER

City of Troy
Purchasing Manager
500 West Big Beaver
Troy, MI 48084

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

R McGregor/PHILLI

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# Additional Insured – Automatic – Owners, Lessees Or Contractors

ZURICH

| THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY. | |
|---|---|
| Policy No. | Effective Date: |

This endorsement modifies insurance provided under the:

**Commercial General Liability Coverage Part**

**A.** Section **II – Who Is An Insured** is amended to include as an additional insured any person or organization whom you are required to add as an additional insured under a written contract or written agreement executed by you, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" and subject to the following:

**1.** If such written contract or written agreement specifically requires that you provide that the person or organization be named as an additional insured under one or both of the following endorsements:

**a.** The Insurance Services Office (ISO) ISO CG 20 10 (10/01 edition); or

**b.** The ISO CG 20 37 (10/01 edition),

such person or organization is then an additional insured with respect to such endorsement(s), but only to the extent that "bodily injury", "property damage" or "personal and advertising injury" arises out of:

**(1)** Your ongoing operations, with respect to Paragraph **1.a.** above; or

**(2)** "Your work", with respect to Paragraph **1.b.** above,

which is the subject of the written contract or written agreement.

However, solely with respect to this Paragraph **1.**, insurance afforded to such additional insured:

**(a)** Only applies if the "bodily injury", "property damage" or "personal and advertising injury" offense occurs during the policy period and subsequent to your execution of the written contract or written agreement; and

**(b)** Does not apply to "bodily injury" or "property damage" caused by "your work" and included within the "products-completed operations hazard" unless the written contract or written agreement specifically requires that you provide such coverage to such additional insured.

Solely with respect to this Paragraph **(b)**, if the written contract or written agreement provides a minimum time period for providing such coverage, and such minimum time period ends prior to the end of the policy period, this insurance shall not apply to "bodily injury", "property damage" or a "personal and advertising injury" offense which occurs during the policy period and after the end of that minimum time period.

**2.** If such written contract or written agreement specifically requires that you provide that the person or organization be named as an additional insured under one or both of the following endorsements:

**a.** The Insurance Services Office (ISO) ISO CG 20 10 (07/04 edition); or

**b.** The ISO CG 20 37 (07/04 edition),



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such person or organization is then an additional insured with respect to such endorsement(s), but only to the extent that "bodily injury", "property damage" or "personal and advertising injury" is caused, in whole or in part, by:

**(1)** Your acts or omissions; or

**(2)** The acts or omissions of those acting on your behalf,

in the performance of:

**(a)** Your ongoing operations, with respect to Paragraph **2.a.** above; or

**(b)** "Your work" and included in the "products-completed operations hazard", with respect to Paragraph **2.b.** above,

which is the subject of the written contract or written agreement.

However, solely with respect to this Paragraph **2.**, insurance afforded to such additional insured:

**(i)** Only applies if the "bodily injury", "property damage" or "personal and advertising injury" offense occurs during the policy period and subsequent to your execution of the written contract or written agreement; and

**(ii)** Does not apply to "bodily injury" or "property damage" caused by "your work" and included within the "products-completed operations hazard" unless the written contract or written agreement specifically requires that you provide such coverage to such additional insured.

Solely with respect to this Paragraph **(ii)**, if the written contract or written agreement provides a minimum time period for providing such coverage, and such minimum time period ends prior to the end of the policy period, this insurance shall not apply to "bodily injury", "property damage" or a "personal and advertising injury" offense which occurs during the policy period and after the end of that minimum time period.

**3.** If neither Paragraph **1.** nor Paragraph **2.** above apply and such written contract or written agreement requires that you provide that the person or organization be named as an additional insured:

**a.** Under the ISO CG 20 10 (04/13 edition, any subsequent edition or if no edition date is specified); or

**b.** With respect to ongoing operations (if no form is specified),

such person or organization is then an additional insured only to the extent that "bodily injury", "property damage" or "personal and advertising injury" is caused, in whole or in part by:

**(1)** Your acts or omissions; or

**(2)** The acts or omissions of those acting on your behalf,

in the performance of your ongoing operations, which is the subject of the written contract or written agreement.

However, solely with respect to this Paragraph **3.**, insurance afforded to such additional insured:

**(a)** Only applies to the extent permitted by law;

**(b)** Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured; and

**(c)** Only applies if the "bodily injury", "property damage" or "personal and advertising injury" offense occurs during the policy period and subsequent to your execution of the written contract or written agreement.

**4.** If neither Paragraph **1.** nor Paragraph **2.** above apply and such written contract or written agreement requires that you provide that the person or organization be named as an additional insured:

**a.** Under the ISO CG 20 37 (04/13 edition, any subsequent edition or if no edition date is specified); or

**b.** With respect to the "products-completed operations hazard" (if no form is specified),



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such person or organization is then an additional insured only to the extent that "bodily injury" or "property damage" is caused, in whole or in part by "your work" and included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.

However, solely with respect to this Paragraph **4.**, insurance afforded to such additional insured:

**(1)** Only applies to the extent permitted by law;

**(2)** Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured;

**(3)** Only applies if the "bodily injury" or "property damage" occurs during the policy period and subsequent to your execution of the written contract or written agreement; and

**(4)** Does not apply to "bodily injury" or "property damage" caused by "your work" and included within the "products-completed operations hazard" unless the written contract or written agreement specifically requires that you provide such coverage to such additional insured.

Solely with respect to this Paragraph **(4)**, if the written contract or written agreement provides a minimum time period for providing such coverage, and such minimum time period ends prior to the end of the policy period, this insurance shall not apply to "bodily injury" or "property damage" which occurs during the policy period and after the end of that minimum time period.

**B.** Solely with respect to the insurance afforded to any additional insured referenced in Section **A.** of this endorsement, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services including:

**1.** The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

**2.** Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.

**C.** Solely with respect to the coverage provided by this endorsement, the following is added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section **IV – Commercial General Liability Conditions**:

The additional insured must see to it that:

**(1)** We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;

**(2)** We receive written notice of a claim or "suit" as soon as practicable; and

**(3)** A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured if the written contract or written agreement requires that this coverage be primary and non-contributory.

**D.** Solely with respect to the coverage provided by this endorsement:

**1.** The following is added to the **Other Insurance** Condition of Section **IV – Commercial General Liability Conditions**:

**Primary and Noncontributory insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

**a.** The additional insured is a Named Insured under such other insurance; and

**b.** You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.



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2. The following paragraph is added to Paragraph **4.b.** of the **Other Insurance** Condition under Section **IV – Commercial General Liability Conditions**:

   This insurance is excess over:

   Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by a written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

**E.** This endorsement does not apply to an additional insured which has been added to this Coverage Part by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.

**F.** Solely with respect to the insurance afforded to an additional insured under this endorsement, the following is added to Section **III – Limits Of Insurance**:

**Additional Insured – Automatic – Owners, Lessees Or Contractors Limit**

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract or written agreement referenced in Section **A.** of this endorsement; or
2. Available under the applicable Limits of Insurance shown in the Declarations,

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms, conditions, provisions and exclusions of this policy remain the same.



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# Coverage Extension Endorsement

ZURICH®

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer No. | Add'l. Prem | Return Prem. |
|---|---|---|---|---|---|---|
| | | | | | | |

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the:

**Business Auto Coverage Form**
**Motor Carrier Coverage Form**

**A. Amended Who Is An Insured**

1. The following is added to the **Who Is An Insured** Provision in **Section II – Covered Autos Liability Coverage:**

   The following are also "insureds":

   a. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you. Any "employee" of yours is also an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

   b. Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.

   c. Anyone else who furnishes an "auto" referenced in Paragraphs **A.1.a.** and **A.1.b.** in this endorsement.

   d. Where and to the extent permitted by law, any person(s) or organization(s) where required by written contract or written agreement with you executed prior to any "accident", including those person(s) or organization(s) directing your work pursuant to such written contract or written agreement with you, provided the "accident" arises out of operations governed by such contract or agreement and only up to the limits required in the written contract or written agreement, or the Limits of Insurance shown in the Declarations, whichever is less.

2. The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary and Excess Insurance Provisions Condition** in the Motor Carrier Coverage Form:

   Coverage for any person(s) or organization(s), where required by written contract or written agreement with you executed prior to any "accident", will apply on a primary and non-contributory basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the Coverage Form.

**B. Amendment – Supplementary Payments**

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section II – Covered Autos Liability Coverage** are replaced by the following:

**(2)** Up to $5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

**(4)** All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.



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**C. Fellow Employee Coverage**

The **Fellow Employee** Exclusion contained in **Section II – Covered Autos Liability Coverage** does not apply.

**D. Driver Safety Program Liability and Physical Damage Coverage**

1. The following is added to the **Racing** Exclusion in **Section II – Covered Autos Liability Coverage**:

   This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in the **Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in the **Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

   This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

**E. Lease or Loan Gap Coverage**

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

**Lease Or Loan Gap Coverage**

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

**a.** Any amount paid under the **Physical Damage Coverage** Section of the Coverage Form; and

**b.** Any:

**(1)** Overdue lease or loan payments at the time of the "loss";

**(2)** Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;

**(3)** Security deposits not returned by the lessor;

**(4)** Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and

**(5)** Carry-over balances from previous leases or loans.

**F. Towing and Labor**

Paragraph **A.2.** of the **Physical Damage Coverage** Section is replaced by the following:

We will pay up to $75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

**G. Extended Glass Coverage**

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible shown in the Declarations will apply. However, if glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

**H. Hired Auto Physical Damage – Increased Loss of Use Expenses**

The **Coverage Extension** for **Loss Of Use Expenses** in the **Physical Damage Coverage** Section is replaced by the following:

**Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:



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(1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is $100 per day, to a maximum of $3000.

**I. Personal Effects Coverage**

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

**Personal Effects Coverage**

**a.** We will pay up to $750 for "loss" to personal effects which are:

(1) Personal property owned by an "insured"; and

(2) In or on a covered "auto".

**b.** Subject to Paragraph **a.** above, the amount to be paid for "loss" to personal effects will be based on the lesser of:

(1) The reasonable cost to replace; or

(2) The actual cash value.

**c.** The coverage provided in Paragraphs **a.** and **b.** above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:

(1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.

(2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.

(3) Paintings, statuary and other works of art.

(4) Contraband or property in the course of illegal transportation or trade.

(5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

**J. Tapes, Records and Discs Coverage**

1. The Exclusion in Paragraph **B.4.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.2.c.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply.

2. The following is added to Paragraph **1.a. Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

   We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

   **(a)** Are the property of an "insured"; and

   **(b)** Are in a covered "auto" at the time of "loss".

   The most we will pay for such "loss" to tapes, records, discs or other similar devices is $500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".



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**K. Airbag Coverage**

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply to the accidental discharge of an airbag.

**L. Two or More Deductibles**

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

If an accident is covered both by this policy or Coverage Form and by another policy or Coverage Form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or Coverage Form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

**M. Physical Damage – Comprehensive Coverage – Deductible**

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is $5,000 or the deductible shown in the Declarations, whichever is greater.

**N. Temporary Substitute Autos – Physical Damage**

1. The following is added to **Section I – Covered Autos:**

   **Temporary Substitute Autos – Physical Damage**

   If Physical Damage Coverage is provided by this Coverage Form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

   Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

   1. Breakdown;
   2. Repair;
   3. Servicing;
   4. "Loss"; or
   5. Destruction.

2. The following is added to the Paragraph **A. Coverage** Provision of the **Physical Damage Coverage** Section:

   **Temporary Substitute Autos – Physical Damage**

   We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

   The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

**O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss**

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

**a.** In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any



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agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

**(1)** How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";

**(2)** The "insured's" name and address; and

**(3)** To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

**P. Waiver of Transfer Of Rights Of Recovery Against Others To Us**

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

**Q. Employee Hired Autos – Physical Damage**

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

**(1)** Any covered "auto" you lease, hire, rent or borrow; and

**(2)** Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**R. Unintentional Failure to Disclose Hazards**

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this Coverage Form if you unintentionally:

**(1)** Fail to disclose any hazards existing at the inception date of this Coverage Form; or

**(2)** Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

**S. Hired Auto – World Wide Coverage**

Paragraph **7a.(5)** of the **Policy Period, Coverage Territory** Condition is replaced by the following:

**(5)** Anywhere in the world if a covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less,

**T. Bodily Injury Redefined**

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.



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**U. Expected Or Intended Injury**

The **Expected Or Intended Injury** Exclusion in Paragraph **B. Exclusions** under **Section II – Covered Auto Liability Coverage** is replaced by the following:

**Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**V. Physical Damage – Additional Temporary Transportation Expense Coverage**

Paragraph **A.4.a.** of **Section III – Physical Damage Coverage** is replaced by the following:

**4. Coverage Extensions**

**a. Transportation Expenses**

We will pay up to $50 per day to a maximum of $1,000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

**W. Replacement of a Private Passenger Auto with a Hybrid or Alternative Fuel Source Auto**

The following is added to Paragraph **A. Coverage** of the **Physical Damage Coverage** Section:

In the event of a total "loss" to a covered "auto" of the private passenger type that is replaced with a hybrid "auto" or "auto" powered by an alternative fuel source of the private passenger type, we will pay an additional 10% of the cost of the replacement "auto", excluding tax, title, license, other fees and any aftermarket vehicle upgrades, up to a maximum of $2500. The covered "auto" must be replaced by a hybrid "auto" or an "auto" powered by an alternative fuel source within 60 calendar days of the payment of the "loss" and evidenced by a bill of sale or new vehicle lease agreement.

To qualify as a hybrid "auto", the "auto" must be powered by a conventional gasoline engine and another source of propulsion power. The other source of propulsion power must be electric, hydrogen, propane, solar or natural gas, either compressed or liquefied. To qualify as an "auto" powered by an alternative fuel source, the "auto" must be powered by a source of propulsion power other than a conventional gasoline engine. An "auto" solely propelled by biofuel, gasoline or diesel fuel or any blend thereof is not an "auto" powered by an alternative fuel source.

**X. Return of Stolen Automobile**

The following is added to the **Coverage Extension** Provision of the **Physical Damage Coverage** Section:

If a covered "auto" is stolen and recovered, we will pay the cost of transport to return the "auto" to you. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.



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