

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** 2009-2010 Sidewalk Replacement

**Manager's Recommendation:**

I recommend that the low bid from DSP Excavating in the amount of \$54,654.00 be accepted and a contract awarded them in that amount be approved. Contract documents forwarded herein (City Clerk's File \_\_\_\_\_), have been signed by the contractor. The contract is subject to approval by me as to substance and the City Attorney as to form.

Funds for this contract are available in the Engineering Division Major Streets Construction Projects Fund, Account No. 202-4614-781.80-47 in fiscal year 2010.

This vendor meets all requirements of §14.23, "Vendors", Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing", of Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

**Justification:**

On Sept 8, 2009, the City received bids for the 2009-2010 Sidewalk Replacement. The work includes the removal and replacement of defective sidewalk in various locations within the City of Saginaw.

Public Act 51 of 1951 created the Michigan transportation fund (MTF). Revenues collected through highway user fees, state motor fuel taxes, vehicle registration taxes and other miscellaneous related automobile taxes are deposited into the MTF. These funds are then distributed throughout the State to various governmental organizations, including the City of Saginaw.

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The City of Saginaw, on average, annually receives between four and five million dollars of MTF Funds. In order to continue to receive these funds and stay in compliance with ACT 51 requirements, the City of Saginaw must expend at a minimum 1% of its MTF monies annually on non-motorized improvements. Sidewalk construction and repair is considered as a non-motorized improvement. Therefore, this contract will keep the City of Saginaw compliant with this Act.

Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

DSP Excavating Ovid, MI	\$ 54,654.00
Hilario Martinez dba Tri-City Contracting Saginaw, MI	\$ 58,845.00
Wobig Construction Saginaw, MI	\$ 66,108.00
Jarmco Corporation St. Charles, MI	\$ 93,900.00

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.