

Memo

To: City Council
From: Bryan Myrkle, Community Development Director
Date: October 5, 2017
Re: Demolition of 108/110 E. Lawrence Avenue

The City of Charlotte recently solicited bids for the demolition of 108/110 E. Lawrence Avenue. While three potential bidders attended the walk-thru, only one chose to submit a bid. That bid was from MCS Excavating for **\$35,000**.

I spoke to the other two contractors about why they didn't submit. One felt that he could not complete the project in a timely manner due to his other projects, and the second said that he did not get his hazardous materials disposal information compiled in time to submit.

Because the price is somewhat more than I expected, I also reached-out to the gentleman who has won other recent demolition bids with the city (and who did not bid this time) to discuss the project.

He felt that, due to the amount of haz-mat work and the need for most excavators to sub-contract that, it's difficult to estimate ahead of time, and difficult to bid. He said that, all things considered, this is probably a reasonable bid.

MCS Excavating, however, would not be sub-contracting the haz-mat disposal, as they are licensed directly for that work.

I have included the bid package and proposed contract for your review. I am recommending the City Council award this bid to MCS Excavating.

BID FORM

Demolition of 108 & 110 East Lawrence Avenue
Proposal Issued September 8, 2017

Contractor Name: MCS Excavating
Street Address: 4696 Tolland
City: Hart State: MF Zip Code: 48842
Telephone: 517-694-1718 Cell Phone: 517-204-2560 Email: mcsdig@msc-con

Bid Amount (Lump Sum): \$35,000

Alternates—Please Describe:

Exceptions—Please Describe: DEQ notification needs to be sent in prior of any work performed. 10 working days are there standard. After contract letting.
☒ I have read the Request for Proposals dated September 8, 2017.

Authorized Signature: Matt Childers Date: 10-18-17
Title: VP Vice President

City of Charlotte

Request for Proposals

Building Demolition

108-110 East Lawrence Avenue

Section 1: General Information

- 1.1 The City of Charlotte, Michigan (hereinafter referred to as “City”) is hereby soliciting proposals from qualified vendors for the demolition of a wood frame and concrete block commercial building located at 108-110 E. Lawrence Avenue.
- 1.2 The City has not identified within the structure any materials that may have salvage value; however, the contractor shall have the right to salvage materials and fixtures from within the structure, provided they are not from an area with known or suspected contamination.
- 1.3 The selected vendor may subcontract work but will be responsible for all work. Subcontractors must be approved in advance by the City.
- 1.4 The issuance date of this proposal is September 8, 2017.
- 1.5 This Request for Proposals includes the following attachments: sample contract, bid form, photographs of the building.

Section 2: Background

- 2.1 The building is owned by the City of Charlotte.
- 2.2 The City has determined that it is in its best interest to demolish the structure. The site will be redeveloped as a public open space (a ‘pocket park’) subsequent to the building demolition.

Section 3: Scope of Services

- 3.1 The selected contractor shall be responsible for all elements associated with the safe demolition of the structure, including obtaining of necessary permits. Utilities have been disconnected.
 - 3.1.1 Due to the presence of contamination below grade, the site must be filled with clean, compacted sand and gravel immediately following demolition.

- 3.1.2 The site must be finish graded with a crowned surface that will allow melting snow, ice and rain to flow to the sides and rear, rather than pool on the surface. See below for more detail.
- 3.2 Asbestos removal. The City commissioned an asbestos survey for the building. An executive summary of the report is included with this Request for Proposals for your use and reference, the detailed report is available upon request. Asbestos must be removed and disposed of according to standard industry practices. Please obtain and retain proof that these materials were properly disposed of.
- 3.3 Methamphetamine removal. The City commissioned a methamphetamine investigation for the building. A summary of this report is included with this Request for Proposals for your use and reference, the detailed report is available upon request. Methamphetamine must be removed and disposed of according to standard industry practices. Please obtain and retain proof that these materials were properly disposed of.
- 3.4 Miscellaneous hazardous materials removal. The contents of the building may include items commonly known to contain hazardous materials, such as fluorescent light tubes, light ballasts, air conditioners, air handling units and drinking fountains. The contractor is responsible for removing and disposing of these items according to commonly accepted, standard and responsible practices. There is a detailed report of the environmental conditions available, and a summary of the report is included with this Request for Proposals for you use and reference.
- 3.5 Notice of additional contamination and due care responsibilities. Please note that this was the site of a dry cleaner for many years. As such, there are known contaminants in the soils surrounding the building that need to be contained on site. Therefore, the site must be filled with clean, compacted sand and capped with clean compacted gravel immediately upon demolition. See below for more detail.
- 3.6 Notice of unknown condition. The contractor should note that there is an I-beam on the northeast corner of the structure that connects to the building directly to the south. An initial inspection of this beam seems to indicate that it is not structural, and is not carrying any load. The contractor shall make an inspection of this beam and recommend to the City a course of action regarding its removal prior to the building demolition. The notice to proceed will not be issued until this course of action is agreed-to by the City.

Section 4: General Requirements

- 4.1 The selected contractor shall be responsible for obtaining all necessary permits required for the project, including the demolition permit issued by the City, and for arranging necessary inspections as required pursuant to those permits.
- 4.1.1 The contractor will be required to submit the Notification of Intent to Renovate/Demolish form required by the Michigan Department of

Environmental Quality and Michigan Department of Licensing and Regulatory Affairs pursuant to the National Emissions Standards for Hazardous Air Pollutants program.

- 4.2 Electric and gas utilities have been disconnected. However, city water and sewer services will need to be properly abandoned by the contractor, who shall also be responsible for arranging for the identification of all underground utilities by contacting Miss Dig.
- 4.3 The contractor shall be responsible for obtaining permits from the Department of Public Works for temporary closure of sidewalks and alleyways adjacent to the building during the project so as to protect public safety and welfare.
- 4.4 The contractor shall be responsible for obtaining all signs, barricades, fences and similar items necessary to warn the public and prevent members of the public from entering the site in such a manner as to risk injury. As the building is located within close proximity to other, active commercial businesses, the contractor shall work to ensure these buildings are protected from damage. The contractor shall be responsible for operating the site in a manner so as to minimize the risks associated with its being an attractive nuisance during times when demolition activities have been suspended and the site is not occupied by the contractor or its employees or subcontractors.
- 4.5 The contractor shall be responsible for keeping all dust, debris and demolished materials within the project site except when they are being transported to the landfill. The contractor shall take reasonable measures to prevent tracking of dirt from machinery onto City streets, sidewalk and parking lots, and will arrange for sweeping of streets and parking lots as often as is necessary to maintain them in a reasonable state of cleanliness in the vicinity of the project site.
- 4.6 The contractor shall submit copies of all landfill weight tickets or similar documentation demonstrating that demolition debris was deposited in a landfill approved for receipt of such materials.
- 4.7 Time of Work and Completion. The contractor shall commence pre-demolition work (i.e. obtaining permits; arranging for disconnection of utilities, etc.) within fourteen (14) days following receipt from the City of a Notice to Proceed. Demolition of the structure shall commence with fourteen (14) days following abandonment of utilities and receipt of the asbestos survey and shall complete all work activities within 45 days thereafter. The contractor shall not discontinue work for more than five (5) consecutive calendar days without the prior written approval of the City of Charlotte Community Development Director. The work to be completed pursuant to this Request for Proposals will be scheduled between the hours of 7 a.m. and 6 p.m., Monday through Friday, unless the contractor obtains written permission from the Building Official pursuant to City Code section 52-72(J). No work shall be done between the hours of 6 p.m. and 7 a.m. including the running of engines in the "warming-up" process.

4.8 Maintenance of project site.

- 4.8.1 The contractor shall not work, store or operate equipment outside designated work areas without the permission of the Community Development Director.
 - 4.8.2 The contractor's operations shall not interfere with street traffic and shall be conducted at all times so as to permit access to local residences and commercial establishments and for deliveries and emergency vehicles.
 - 4.8.3 The contractor shall protect all public and private abutting property from injury or loss and shall defend and save the City harmless from all such damages, injuries and loss occurring because of his/her work.
 - 4.8.4 The contractor shall furnish and maintain all passageways, barricades, guard fences, lights and danger signal, and shall provide watchmen and other facilities as required by local conditions, all at no additional cost to the City.
 - 4.8.5 The contractor shall assume full responsibility for loss or damage to the work during the entire construction period resulting from conditions and from all other causes whatsoever not directly due to the acts or neglect of the City, including fire, vandalism and malicious mischief, and shall complete the work in accordance with this Request for Proposals within the time provided in this Request for Proposals.
- 4.9 The contractor shall notify the City immediately of any irregularities or changes in the scope of the work.

Section 5: Specifications

- 5.1 This Request for Proposals identifies the requirements that are considered to be the minimum by the City. Specific details described within this Request for Proposals notwithstanding, it will be the obligation of the selected vendor to adhere to accepted industry standard methods and practices in completing work and to comply with such local and state laws and regulations as are applicable to this work.
- 5.2 Demolition. The contractor shall demolish, remove from the site and properly dispose of the structure located on the site, including any personal property, materials and debris found inside and outside the structure.
 - 5.2.1 The selected contractor shall, at a minimum, remove the top two feet of foundations, footings, slabs and etc., and put this material into the basement to be covered by the sand and gravel cap. Every effort shall be made to minimize the disruption of surrounding soils.
 - 5.2.2 Demolition of the structure shall include the demolition or removal of any attachments to the structure such as antennas, chimneys, vents and the like.

- 5.3 Water and Sewer Utilities. The contractor shall locate and cut existing sanitary sewer and water service lines at the property line. Sanitary sewer leads shall be cut cleanly and sealed by installing a Fernco-type coupling and plastic plug. The contractor must contact the City Department of Public Works at least 24 hours in advance to arrange for an inspection of the completed utility cuts.
- 5.4 Vegetation. The contractor shall remove all trees, shrubs and other woody plants growing within three (3) feet of the foundation. Stumps of trees shall be ground below surrounding grade level, chips removed and the hole filled with screened top soil.
- 5.5 Site Restoration. The contractor shall fill any subsurface voids resulting from demolition and removal of the structure. These areas shall be filled with clean sand compacted in twelve (12) inch lifts to a minimum density of 95% of the maximum unit weight to a depth of eight (8) inches below the surrounding grade. Eight (8) inches of clean compacted gravel shall then be placed and graded to bring the level to the surrounding grade and crowned so as to minimize surface pooling of water.
- 5.5.1 Density testing shall be done by a firm approved in advance by the City. Results of the density testing shall be provided to the City prior to the placement of top soil.

Section 6: Terms and Conditions

- 6.1 This Request for Proposals is not an offer of contract. Receipt of a proposal neither commits the City to award a contract to any vendor, even if all requirements stated in this proposal are met, nor limits the City's right to negotiate in its best interest. The City reserves the right to contract with a vendor for reasons other than lowest price.
- 6.2 Expenses incurred in the preparation of proposals in response to this Request for Proposals are the bidder's responsibility.
- 6.3 No work performed by the contractor that is out of the scope as defined by the vendor's proposal will be reimbursed unless specifically authorized by the City in writing.
- 6.4 The contractor, subcontractors and their employees shall be considered independent contractors and shall not be deemed employees of the City for any reason.
- 6.5 All proposals are subject to the Michigan Freedom of Information Act. Once bids are opened, the information contained therein becomes freely accessible by the public.
- 6.6 For the duration of the project, the contractor and all subcontractors must maintain a comprehensive general liability policy in a minimum amount of \$1 million combined single limit naming the City as an additional insured. For the duration of the project, the contractor must maintain workers' compensation insurance in

accordance with Michigan law. Proof of insurance for the general liability insurance and workers' compensation insurance shall be provided prior to the City's issuance of a notice to proceed with work.

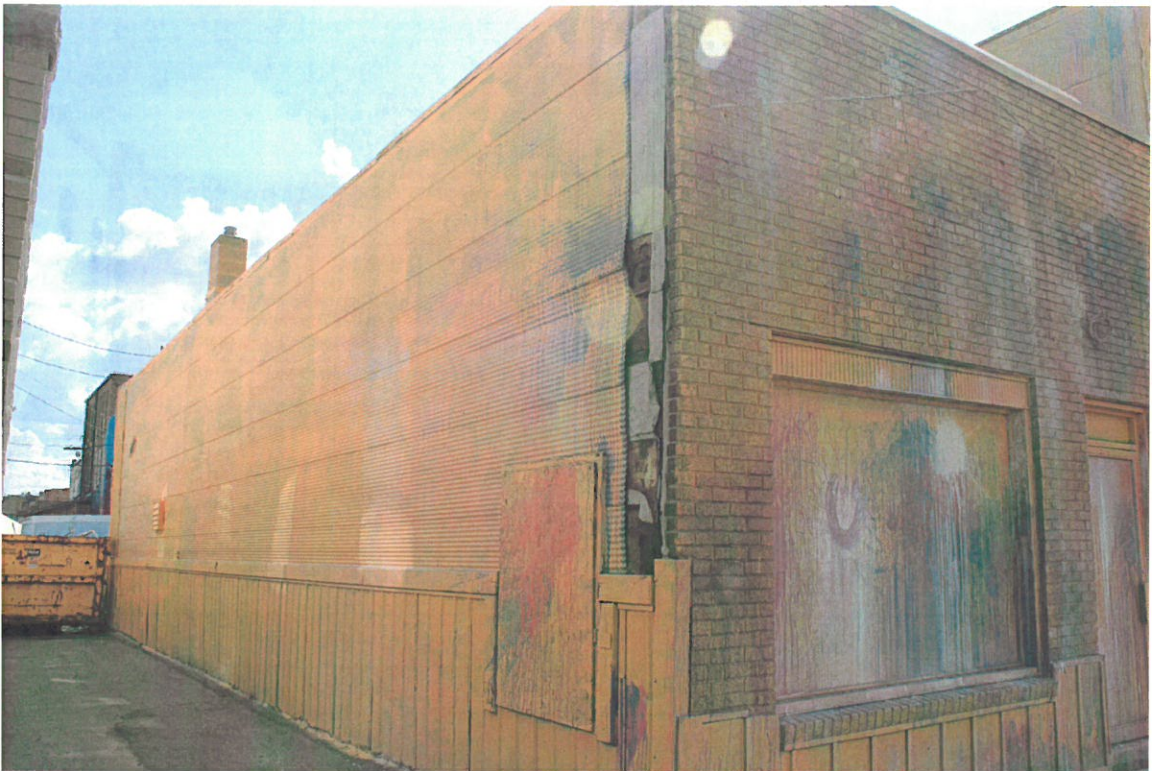
- 6.7 The City of Charlotte has a local bid preference policy that provides as follows: "If all purchasing procedures have been met, the Purchasing Officer is authorized to negotiate with a local bidder to reduce their bid to that of the lowest responsible bidder from a non-City of Charlotte taxpayer if their bid is within 5% of the lowest bid. Negotiation is limited to purchases up to \$30,000."

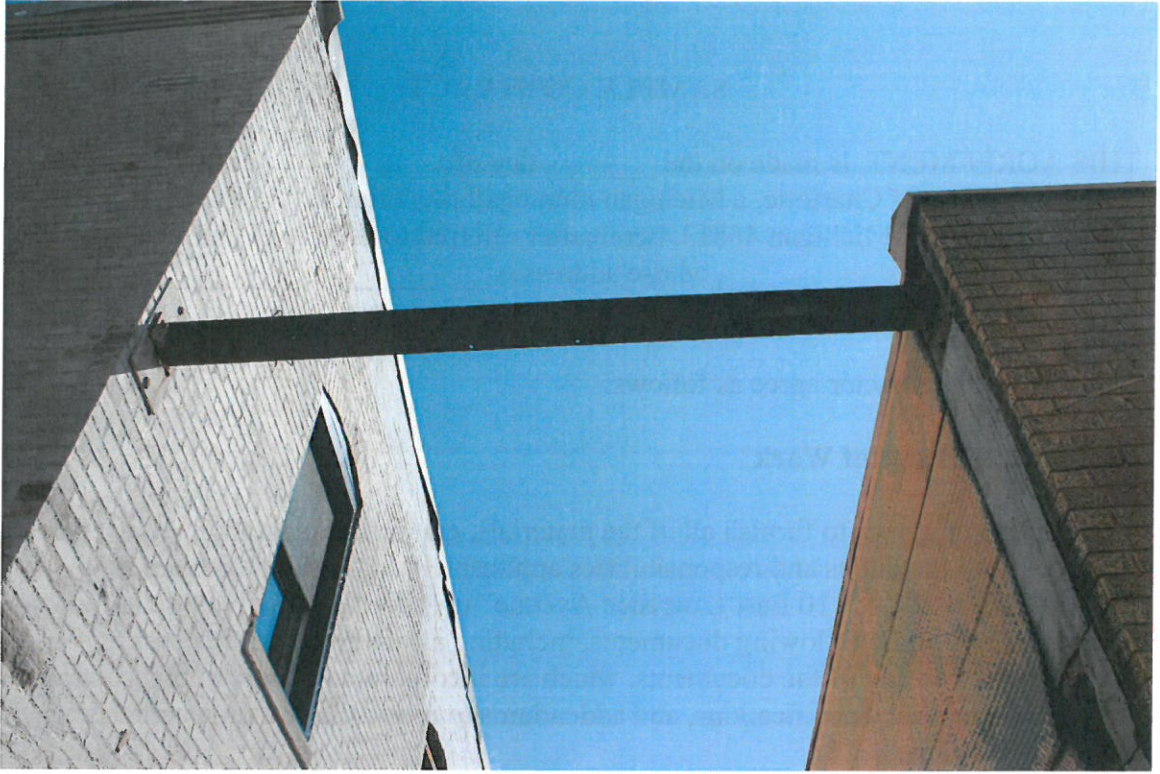
Section 7: Proposal Requirements

- 7.1 City will provide one opportunity for bidders to inspect the premises. This will take place at 11:00 a.m. on Tuesday, September 12, 2017. Bidders interested in inspecting the premises will meet the City representative(s) at the site. Bidders who cannot meet at this time can make arrangements to view the site by appointment.
- 7.2 The following shall be the minimum contents of the proposal: the completed bid form.
- 7.3 The bid form shall be submitted in a sealed envelope clearly marked on the outside with the following words: "Bid for demolition of 108-110 E. Lawrence Avenue."
- 7.4 To be considered, proposals must be received at the City Clerk's Office, 111 East Lawrence Avenue, Charlotte, MI 48813 by 3 p.m. on September 20, 2017.
- 7.5 Bids will be opened by the City Clerk at 3 p.m. on September 20, 2017.
- 7.6 Bids submitted may not be withdrawn or modified for 30 days following the date on which they are opened by the City Clerk.
- 7.7 Questions regarding this Request for Proposals shall be directed to Bryan Myrkle, Community Development Director, 111 East Lawrence Avenue, Charlotte MI 48813; 517-543-8853 (voice); 517-543-8851 (fax); bmyrkle@charlottemi.org

Site photos:







SAMPLE CONTRACT

THIS AGREEMENT is made on the _____ day of _____, 2017, by and between the City of Charlotte, a Michigan municipal corporation, 111 East Lawrence Avenue, Charlotte, Michigan 48813, hereinafter referred to as "City," and _____, whose address is _____, hereinafter referred to as "Contractor."

The City and Contractor agree as follows:

ARTICLE I. Scope of Work

The Contractor agrees to furnish all of the materials, equipment and labor necessary and to abide by all the duties and responsibilities applicable to it for the project entitled "Demolition of 108 & 110 East Lawrence Avenue" in accordance with the requirements and provisions of the following documents, including all written modifications incorporated into any of the documents, which are incorporated as part of this contract: bid forms, proposal, specifications, and addendums to proposals and/or specifications, and change orders.

ARTICLE II. Definitions

"*Supervising Professional*" means the Charlotte City Manager or other persons acting under his authorization.

ARTICLE III. Time for Completion and Liquidated Damages

Section 1. The work to be completed under this contract shall begin within fourteen (14) days following contractor's receipt of a notice to proceed.

Section 2. The entire work for this contract shall be completed no later than forty-five (45) days following the disconnection of gas and electric utilities or receipt of the asbestos survey, which ever occurs later.

Section 3. Failure to complete all the work within the time specified above, including any extension granted in writing by the Supervising Professional, shall obligate Contractor to pay the City, as liquidated damages and not as a penalty, an amount equal to \$250 for each calendar day of delay in the completion of all the work. If any liquidated damages are unpaid by the Contractor, City shall be entitled to deduct these unpaid liquidated damages from the monies due Contractor

The parties specifically agree that breach of the contract by the Contractor to complete the project on time creates damages which are difficult to quantify. The parties agree that \$250 per day as liquidated damages is a reasonable amount for such damages and is not a penalty.

The liquidated damages do not preclude the recovery of other actual damages that can be shown or quantified.

ARTICLE IV. The Contract Sum

Section 1. City shall pay to Contractor for the performance of the contract the lump sum amount of _____ dollars (\$ _____). Payment shall be made upon completion of all work and acceptance of the work by the Supervising Professional.

Section 2. The amount paid shall be equitably adjusted to cover changes in the work ordered by the Supervising Professional but not required by the contract documents. All such changes in the work shall be first approved in writing by the Supervising Professional prior to the start of such work.

ARTICLE V. Assignment

This contract may not be assigned or subcontracted without the written consent of City.

ARTICLE VI. Choice of Law

This contract shall be construed, governed and enforced in accordance with the laws of the State of Michigan. By executing this agreement, Contractor and City agree to venue in Eaton County for purposes of any action arising under this contract.

Whenever possible, each provision of the contract will be interpreted in a manner as to be effective and valid under applicable law. The prohibition or invalidity, under applicable law, of any provision will not invalidate the remainder of the contract.

ARTICLE VII. Relationship of the Parties

City and Contractor agree that this is not a contract of employment but is a contract to accomplish a specific result. Contractor is an independent contractor performing services for City. Nothing contained in this contract shall be deemed to constitute any other relationship between City and Contractor.

Contractor certifies that it has no personal or financial interest in the project other than the compensation it is to receive under the contract. Contractor certifies that it is not, and shall not become, overdue or in default to City for any contract, debt, or any other obligation to City including real or personal property taxes. City shall have the right to set off any such debt against compensation awarded for services under this contract.

ARTICLE VIII. Notice

All notices given under this contract shall be in writing at the addresses set forth above.

ARTICLE IX. Entire Agreement

This contract represents the entire understanding between City and Contractor and it supersedes all prior representations or agreements whether written or oral. Neither party has relied on any prior representations in entering into this contract. This contract may be altered, amended or modified only by written amendment signed by City and Contractor.

CITY OF CHARLOTTE

CONTRACTOR

Mayor

Title: _____

City Clerk

BID FORM

Demolition of 108 & 110 East Lawrence Avenue
Proposal Issued September 8, 2017

Contractor Name: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: _____ Cell Phone: _____ Email: _____

Bid Amount (Lump Sum): _____

Alternates—Please Describe:

Exceptions—Please Describe:

___ I have read the Request for Proposals dated September 8, 2017.

Authorized Signature: _____ Date: _____

Title: _____

