

AGENDA REPORT

To: Mayor Pat Humphrey and the Clare City Commission
From: Ken Hibl, City Manager
Date: October 13, 2016
Regarding: Cemetery Maintenance Bids

For the Agenda of October 17, 2016

Background The City's contract for cemetery maintenance was recently terminated for sub-standard performance. The City Commission approved a temporary services contract with AWOL to continue this critical service through December 31, 2016. We concurrently solicited bids to continue this service in 2017 and beyond.

We received (*see copy of att'd DPW bid memo and tabulation sheet*) three bids for the requested services. The City Commission is asked to consider the bids; select a vendor from the bidder list to provide the needed services; and approve a three or five-year contractual agreement (*copy of three-year contract att'd*) for the services. *Note: one of the three bidders did not provide a five-year bid.*

Issues & Questions Specified Should the City Commission select a vendor and approve a contract for cemetery maintenance service?

Alternatives

1. Select a vendor and approve a three-year contractual agreement.
2. Select a vendor and approve a five-year contractual agreement.
3. Direct solicitation of additional bids.
4. Direct that the City perform these services.
5. Defer/delay the presentation to a subsequently scheduled City Commission mtg.

Financial Impact If the low bidder (AWOL) is selected, the annual cost for this service will be \$103,680 (\$34,560 annually) for a three-year contract; the cost will be \$179,520 (35,904 annually) if the Commission elects to award a five-year contract. The three-year annual cost is fairly consistent with the amount we paid AWOL when they last had the cemetery maintenance contract in 2013 (a \$232.50 per month increase four years later) and only \$60 more per month than we are currently paying them for the present short-term contract thru end-2016. Despite reservations, we took a calculated risk and paid our last cemetery contractor only \$19.2K annually; unfortunately, the maintenance service we received was commensurate with the reduced costs and regrettably confirmed our initial reservations. Based on our experience regarding cemetery maintenance for the past two decades and the bid prices we received from the other two bidders in our most recent solicitation, we believe AWOL's bid is a very fair representation of the costs required to maintain the cemetery to the standards we've set. And if we wish to pay less, we will likely have to lower our standards.

Recommendation I recommend that the City Commission select AWOL as the vendor to provide us cemetery maintenance services and award a three-year contractual agreement for these services based upon AWOL's excellent past work performance by adoption of Resolution 2016-125 (*copy att'd*).

Attachments:

1. Memo & Bid Tabulation.
2. Proposed Three-Year Contract.
3. Resolution 2016-125.

MEMORANDUM

TO: Ken Hibl, City Manager
FROM: Alan Jessup, Public Works Director
DATE: October 11, 2016
SUBJECT: Contractual Services Bids
Cherry Grove Cemetery Maintenance

We recently advertised for sealed bids for the Cherry Grove Cemetery grounds keeping for a three-year contract (April 1, 2017 through March 31, 2020) with an optional bid for a five year contract (April 1, 2017 through March 31, 2022). In addition we mailed the bid packets to any grounds keeping contractors who had bid on the cemetery maintenance contract in the past. Three bids were received as follows:

AWOL Inc – Clare, MI	3 yr - \$103,680 5 yr - \$179,520
Jenkins Lawn Care – Coleman, MI	3 yr - \$114,000 5 yr - \$190,000
Elm Creek Lawn & Landscape – Farwell, MI	3 yr - \$144,000 5 yr - no bid

After reviewing AWOL Inc's equipment list, manpower, and letters of reference, I recommend we accept their bid of \$4,320 a month for eight months per year for a three-year contract, total cost being \$103,680 or \$4,488 a month for eight months per year for a five-year contract, total cost being \$179,520. Bid tabulation is attached.

AJ:mw

Attachment: Bid Tabulation

CONTRACTUAL BID:

**NAME OF
BID PROJECT:**

CHERRY GROVE CEMETERY MAINTENANCE

**APRIL, 2017 TO MARCH 31, 2019 (3-Year Contract)
or MARCH 31, 2022 (5 Year Contract)**

	BIDDER INFORMATION	
	NAME & ADDRESS	CONTACT INFO
BID 3 yr - \$103,680 5 yr - \$179,520	AWOL, INC. DOROTHY DAVIS P.O.BOX 225 CLARE, MI 48617	PH: 989-429-5937 FAX: CEL L: EMA IL: -
MONTHLY PAYMENT 3 yr - \$4,320 5 yr - \$4,488		
BID 3 yr - \$114,000 5 yr - \$190,000	JENKINS LAWN CARE VAUGN JENKINS, OWNER 10751 E. PERE MARQUETTE COLEMAN, MI 48618	PH: 989-465-9839 FAX: 989-465-9846 CEL L: 989-506-8513 EMA IL:
MONTHLY PAYMENT 3 yr - \$4,750 5 yr - \$4,750		
BID 3 yr - \$144,000 5 yr - no bid	ELM CREEK LAWN & LANDSCAPE MICHAEL L JENKINS, OWNER 2423 W CADILLAC DRIVE FARWELL, MI 48622	PH: 989-588-6511 FAX: 989-588-6528 CEL L: EMA IL: mike@elmcreekltd.com
MONTHLY PAYMENT 3 yr - \$6,000 5 yr - no bid		
BID		PH: FAX: CEL L: EMA IL:
MONTHLY PAYMENT		

Bids were opened on Tuesday, October 11, 2016, at 2:00 p.m.
by Alan Jessue, DPW Director, assisted by Mary Warner, DPW Secretary.



CONTRACTUAL AGREEMENT

City of Clare
Cherry Grove Cemetery Maintenance Bid
202 W. Fifth Street
Clare, Michigan 48617
Phone: 989/386-7541

Section 1. Parties. The Agreement is made this date by and between the City of Clare, a municipal corporation, 202 West Fifth Street; Clare, Michigan.48617, herein referred to as the "City" and _____; herein referred to as "Contractor".

Section 2. Terms of Agreement. This contract shall be for a period of three (3) years beginning April 1, 2017 and expiring March 31, 2020.

Section 3. Responsibilities of the Contractor.

1. The contractor will be responsible for the maintenance of the cemetery grounds, to include the following:
 - A. Spring Cleanup. Between April 1 and April 15 of each year, **the contractor** shall do a complete cleaning of the Cherry Grove Cemetery removing all winter decorations, discolored artificial decorations, and cleaning up of remaining leaves, tree limbs, debris and litter.
 - B. Fall Cleanup. Between October 16th and November 1st of each year, **the contractor** shall do a complete cleaning of the Cherry Grove Cemetery removing all summer decorations, discolored artificial decorations, and cleaning up of leaves, tree limbs, debris and litter.
 - C. Continuing leaf cleanup through November as necessary.

- D. Mowing of grass. The grass height shall not exceed 4"; additionally, the grass will be mowed within the four-day period immediately preceding Memorial Day.
**All mowers being used shall be equipped with a deflector on the side discharge chute to help prevent grass clippings being thrown onto monuments.*
 - E. Picking up of all loose debris and trash items (paper, plastics, etc.) before each mowing.
 - F. Weed whipping/trimming around all headstones, trees, fence posts, and other manmade or natural structures or objects in the cemetery each time the grass is cut.
 - G. Use of reasonable caution when mowing and/or weed whipping around headstones/monuments so as not to cause damage or movement of said headstone/monument.
 - H. Collecting and removing of leaves in the spring and fall of the year.
 - I. Collecting, removing, and properly disposing of all twigs, branches, and other natural debris in the spring; after storms, and other times during the year as needed.
 - J. Mowing areas outside existing cemetery fences along Schoolcrest and Cedar Streets to the standards stipulated above.
 - K. Mowing of the vacant area to the east of the cemetery once each month from April 1st thru September 30th with one additional mowing within the four day period immediately preceding Memorial Day.
 - L. Bagging/packaging and proper disposal of all trash and debris collected from the cemetery.
2. The Contractor will utilize its own equipment and be responsible for all operations and maintenance costs for its equipment.
 3. The Contractor is responsible for all damage caused by its employees during the course of accomplishing the contracted work The Contractor will also be required to maintain insurance coverage stipulated in this contract.

Section 4. Responsibilities of the City.

1. The City will be responsible for watering/irrigating the grass in the cemetery, maintenance of the water irrigation system, and all costs associated with watering the cemetery.
2. Snow removal and salting of paved drives as necessary within the Cherry Grove Cemetery.

3. Publishing of a notice in the local newspaper prior to the annual spring and fall cleanups.
4. Providing a dumpster in the Cherry Grove Cemetery to be maintained under the City of Clare Waste/Refuse Contract.
5. Providing trash cans in various locations of the cemetery for public use.
6. Emptying cemetery trash cans into dumpster for contracted collection.

Section 5. Relationship of the Parties:

The Contractor is at all times during this Agreement an independent contractor and not an employee of the City. As an independent contractor, the Contractor is not entitled to make any claims against the City for any employment benefits, including insurance benefits and Worker's Compensation. The Contractor shall be responsible for providing its own supplies and equipment.

Section 6. Insurance Requirements

The Contractor will be required to maintain insurance coverage at all times as indicated below:

- A. Worker's Compensation. The Contractor shall procure and maintain during the life of the contract Worker's Compensation Insurance, including Employer's Liability Coverage, in accordance with all applicable statutes of the State of Michigan
- B. Commercial General Liability Insurance. The Contractor shall procure and maintain during the life of the contract agreement Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and/or aggregate combined single limit.
- C. Motor Vehicle Liability. The Contractor shall procure and maintain during the life of the contract Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles of the Contractor.
- D. Additional insured. Commercial General Liability and Motor Vehicle Liability Insurance as described above shall include an endorsement stating the following, "Additional Insured's shall be the City of Clare, all elected and appointed officials, all employees and volunteers, and all boards and commissions of the City of Clare."

- E. Cancellation Notice. Worker's Compensation Insurance, Commercial General Liability Insurance and Motor Vehicle Liability Insurance as described above, shall include an endorsement stating that it is understood and agreed that thirty (30) days Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Changes will be provided to the City.
- F. Proof of Insurance. The contractor shall provide Proof of Insurance for the coverage mentioned to the City. Failure to do so shall be cause for termination of the contract by the City.

Section 7. Termination.

- A. Once entered into, either party may terminate the contract by providing 30 day written notice. All relationships between the City and the Contractor will be terminated at the end of the term specified in the contract agreement, raising no obligation or implication that it shall be renewed by either party.
- B. Failure of the Contractor to perform its obligations or satisfactorily meet the standards of the contract shall be cause for termination by the City. Such termination shall occur after 30 days notice is given to the Contractor. The judgment of the City Commission as to whether the performance of the Contractor is satisfactory shall be final and binding upon the Contractor.

Section 8. Compensation.

The Contractor shall be paid a total of \$_____ for the three-year period with all payment checks being made payable to_____.

Said payment will be divided into **twenty-four** equal monthly (eight months per year/three year contract) payments of \$_____ with no payments made during the months of January, February, March, and/or April of either year of the contract. During the existence of the contract, the first monthly payment for the calendar year of the contract will be made on the Thursday following the first Clare City Commission Regular Meeting in May for work accomplished in April; subsequent monthly payments will be made once monthly thereafter on the first Thursday following the first regular meeting of the Clare City Commission each month for the next seven consecutive months.

Section 9. Governing Law & Severability.

The agreement will be governed by and construed in accordance with the laws of the State of Michigan. All provisions of the agreement will be severable and any provision

which may be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remaining provisions.

Section 10. Assignment.

The agreement shall bind parties and their respective heirs, successors, legal representatives, and assigns. The Contractor will not be able to assign the agreement or any interest therein, including rights and duties of performance, without the City's written consent. No assignment made without the City's consent will relieve the Contractor of any obligation of the contract.

Section 11. Notices.

Notices permitted or required under the contract will be sufficient when sent by First Class Mail with the proper postage affixed and mailed to Ken Hibl, City Manager and/or Alan J. Jessup, Director of Public Works, at 202 W. Fifth Street, Clare, Michigan 48617.

Section 12. Anti-Waiver Modification.

Once entered into, all modifications of the contract will only be allowed in writing and signed by both parties. No oral modification or addition or deletion will be binding on the parties. Non-enforcement of any condition, obligation, or requirement under this agreement will not be deemed a waiver of that condition, right, or obligation.

Dated: _____



THE CITY OF CLARE

CONTRACTOR

By: _____
Pat Humphrey, Mayor

By: _____

By: _____
Diane Lyon, City Clerk

By: _____

RESOLUTION 2016-125

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING A THREE-YEAR CEMETERY MAINTENANCE CONTRACT.

WHEREAS, the City of Clare solicited bids for maintenance services for the City-owned Cherry Grove Cemetery; and

WHEREAS, three bids were received; all bids met the City’s bid specifications and are considered qualified bids; and

WHEREAS, the low bid was submitted by AWOL, a company well-known to the City for its reliable, dependable, and excellent performance and a company that has previously performed cemetery maintenance services for the City; and

WHEREAS, the City staff has recommended that the Clare City Commission select AWOL to provide said services and award a three-year contractual agreement for said services; and

WHEREAS, the City Commission has duly reviewed and considered the bid documents, the proposed agreement, and said recommendation of its City staff.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Clare hereby approves the bids for maintenance services for the Cherry Grove Cemetery; selects AWOL to perform said maintenance services for the City; and approves a three-year contractual agreement for said services with AWOL, the terms, conditions, and compensation as outlined therein.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

This Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 17th day of October 2016.

Diane Lyon, Clare City Clerk