



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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www.rochesterhills.org

Legislative File No: 2016-0110

TO: Mayor and City Council Members
FROM: Ed Anzek, Director Planning and Economic Development
DATE: March 14, 2016
SUBJECT: 1544-1600 W. Hamlin Road Tree Removal

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for 1544-1600 W. Hamlin Road Tree Removal project to Ken Jackson Clean-Up, Inc., Rochester Hills, Michigan in the amount of \$25,300.00 with a 10% project contingency in the amount of \$2,530.00 for a total not-to-exceed amount of \$27,830.00 and authorize the Mayor to execute a contract on behalf of the City.

REASON FOR PURCHASE:

These two City-owned parcels are located within the boundaries of the Rochester Hills' Local Development Finance Authority (LDFA) capture district. This allows for LDFA funds to be spent on qualifying expenses that will make the property attractive to a potential buyer with the overall mission to spur economic development and job creation. As part of the preparation for getting the City owned parcels ready for sale, staff has identified this project as an ideal project to help prepare this site for redevelopment. As such, the City proceeded with a tree removal permit for the removal of 100 regulated trees and was granted approval by the Planning Commission at the February 16, 2016 meeting.

Site improvements on these parcels have been a long-standing project identified in the City's Capital Improvement Plan (CIP) as (FA-08B) Interchange Technology Park: Site Preparation. Thus, in conjunction with the CIP and LDFA Board's goals and approved budget, this expense will be paid for with LDFA funds.

PROCESS:

The City solicited bids utilizing the MITN system for placement of soil erosion fencing, removal of 100 trees, removal of dead, diseased and fallen trees, removal of loose brush, complete removal of stumps, and the removal of two wire fence lines and posts along the northern boundary and property line between the two City-owned parcels at 1544 W. Hamlin and 1600 W. Hamlin. Six bid responses were received. In evaluating the bid responses received, the low bidder was deemed non-responsive due to failure to demonstrate experience in performing/providing the services requested. The City was unable to verify work experience through the references provided and further reviewed the company's website and found no indication that tree removal services was a primary service offering through their company. The City then contacted the second low bidder, Ken Jackson Clean-Up, Inc., references and received very positive responses and was able to verify that tree removal/lot clean-up is a primary service they offer as part of their business operations. It is recommended that award be made to Ken Jackson Clean-Up, Inc., as the lowest, responsive, responsible bidder.

Vendor Name and Address:

Ken Jackson Clean-Up. Inc.
2873 Leach Road
Rochester Hills, MI 48309

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

While, there are currently no funds allocated in the current 2016 LDFA Budget for this project phase, the LDFA board did approve on January 20, 2016 the contribution of up to \$600,000 to be spent on site preparation expenses for these two parcels.

If approved by City Council, a 2nd Quarter Budget Amendment will be presented with the additional funding to be provided by the LDFA Fund.

Note: Per the FY 2016-18 Budget, the (848) LDFA Fund is budgeted to increase its fund balance level by \$463,950 by year end. This approval would reduce the amount which is to be contributed into LDFA fund balance by the contract amount.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
LDFA Fund	848.807000	Contractual Services	\$0	\$27,830	(\$27,830)

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order/contract for 1544-1600 W. Hamlin Road Tree Removal project to Ken Jackson Clean-Up, Inc., Rochester Hills, Michigan in the amount of \$25,300.00 with a 10% project contingency in the amount of \$2,530.00 for a total not-to-exceed amount of \$27,830.00 and authorize the Mayor to execute a contract on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		