



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
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[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2016-0067

**TO:** Mayor and City Council Members  
**FROM:** Scott Cope, Director Building/Ordinance/Facilities  
**DATE:** February 22, 2016  
**SUBJECT:** City Hall Parking Lot Rehabilitation

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**REQUEST:**

City Council is requested to authorize a blanket purchase order/contract for the City Hall Parking Lot Rehabilitation Project to Pavex Corporation, Trenton, Michigan in the amount of \$469,954.64 with a 10% contingency in the amount of \$46,995.46 for a total not-to-exceed amount of \$516,950.10.

**REASON FOR PURCHASE:**

On Wednesday, February 10 2016, the City received five (5) sealed bids for the *City Hall Parking Lot Rehabilitation Project* (bid tabs attached). Of the bids received, Pavex Corporation was the lowest, responsive, responsible bidder. The bid received from Pavex Corporation is 12% below the engineering cost estimate, which is shown on the attached bid tabulation. Work is expected to begin after asphalt plants open with a completion date scheduled for June.

The City Hall parking lot is beyond its lifecycle and is showing signs of severe cracking in multiple locations. These locations can no longer be patched due to poor underground soil conditions. The project scope includes reconstruction of all City Hall parking lots including the installation of improved drainage structures, replacement of the sub-base, base, and asphalt surface.

The recommendation before you is to rehabilitate all parking lots and access drives including the main parking lot, the main drive, the service parking lot, the east drives, and visitor parking lot for a total not-to-exceed amount of \$516,950.10. This proposal is over the amount that was budgeted for this project a number of years ago. The construction cost for this type of work has increased substantially over the last few years and the budget estimate for this project was not updated to reflect this change in the market. Near the end of 2015 City Council received an informational memo from staff advising them of the additional cost anticipated for this project. With the current condition of the existing parking lots, it is staffs recommendation to draw the additional funds necessary from the Facilities Fund Retained Earnings to complete the entire project at this time. We believe this is in the best interest of the City, from a cost and operational perspective.

**PROCESS:**

**Vendor Name and Address:**

Pavex Corporation  
2654 Van Horn Road  
Trenton, MI 48183

**Reason for Selection:**

Lowest, responsive, responsible bidder

**Method of Purchase:**

Blanket Purchase Order/Contract

**BUDGET:**

Funding is included in the FY 2016 Adopted Budget.

If approved by City Council, a 2<sup>nd</sup> Quarter Budget Amendment will be presented to increase the project budget with additional funding to be drawn from Facilities Fund (631) Retained Earnings.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities	631.974000	Land Improvement	\$313,500.00	\$516,950.10	(\$203,450.10)

**RECOMMENDATION:**

It is recommended that City Council authorize a blanket purchase order/contract for the City Hall Parking Lot Rehabilitation Project to Pavex Corporation, Trenton, Michigan in the amount of \$469,954.64 with a 10% contingency in the amount of \$46,995.46 for a total not-to-exceed amount of \$516,950.10.

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