



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: 2021-0118 Version 3

TO: Mayor and City Council Members

FROM: Allan E. Schneck, PE, Director, Department of Public Services

DATE: October 11, 2021

SUBJECT: Increase to 2021 Concrete Road Replacement Program #2
City File No. E21-005

REQUEST:

City Council is requested to authorize an increase to the purchase order/contract for the 2021 Concrete Road Replacement Program #2 in the amount of \$122,760.00 with a 10% contingency in the amount of \$12,276.00 for a new total not-to-exceed amount of \$2,383,807.10 to Koala-T Construction, Inc., Holly, MI and further authorizes the Mayor to execute a contract amendment on behalf of the City.

REASON FOR PURCHASE:

The City issued an Invitation to Bid for the 2021 Concrete Road Replacement Program #2, with four (4) bid responses received. Of the bid responses received, Koala-T Construction, Inc.(KCI), was the lowest, responsive, responsible bidder. City Council at their April 12, 2021 meeting authorized the award to KCI.

The City has received some complaints regarding Snowden Court. Snowden Court was identified as a road for this year's project, however with other road priorities and costs it was decided defer it for inclusion in next year's program. Based on reevaluating of the road and its continued deterioration with the weather and based on having remaining project budget in the program the department is recommending this work be added to the contract in order to get the reconstruction completed.

The department feels comfortable with the request as the project is nearly complete with only punch list items left and the project is under budget by approximately \$150,000.00. The addition of Snowden Court not only meets the City's road replacement priorities but also resolves the requests to reconstruct Snowden Court that was submitted to the City from all the residents that live on Snowden Court.

PROCESS:

Vendor Name and Address:

Koala_T Construction, Inc.
13448 Chateau Cove
Holly, MI 48442

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding is included in the FY 2021 Adopted Budget

| Fund Name | Department Account No | Account No. Description | Budget Amount | Cost | Remaining Budget |
|--------------|-----------------------|--|----------------|----------------|------------------|
| Local Street | 452.970000 | LS-01: Local Street Rehabilitation Program | \$2,427,527.80 | \$2,383,807.10 | \$43,720.70 |

RECOMMENDATION:

It is recommended that City Council authorize an increase to the purchase order/contract for the 2021 Concrete Road Replacement Program #2 in the amount of \$122,760.00 with a 10% contingency in the amount of \$12,276.00 for a new total not-to-exceed amount of \$2,383,807.10 to Koala-T Construction, Inc., Holly, MI and further authorizes the Mayor to execute a contract amendment on behalf of the City.

| APPROVALS: | SIGNATURE | DATE |
|--|-----------|------|
| Department Review | | |
| Department Director | | |
| Budget Content: Chief Financial Officer | | |
| Purchasing Process: Supervisor of Procurement | | |
| Mayor | | |
| Deputy Clerk | | |

Contract Reviewed by City Attorney Yes N/A