



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2017-0104

TO: Mayor and City Council Members
FROM: Allan E. Schneck, P.E., Director of Public Services
DATE: March 13, 2017
SUBJECT: 2017 Pathway Program, City File No. E17-003

REQUEST:

The Department of Public Services recommends awarding the contract for the *2017 Pathway Rehabilitation Program* to Florence Cement Company of Shelby Twp., Michigan for an amount of \$438,166.95 and authorizes the Mayor to execute a contract on behalf of the City.

The Department of Public Services also requests City Council authorization of a 10% contingency for an amount of \$43,816.70 to allow for quantity adjustments based on final measurements verified in the field.

REASON FOR PURCHASE:

On Tuesday, February 23, 2017, the City received three (3) sealed bids for the *2017 Pathway Rehabilitation Program* (bid tabs attached). Of the bids received, Florence Cement Company was the lowest, responsive, responsible bidder. The bid received from Florence Cement Company is 20% below the engineering cost estimate, shown on the attached bid tabulation. Work is set to begin in April 2017 with a completion date scheduled for August 2017.

The project scope of work includes:

Pathway Overlay

The Scope of Work for this project involves rehabilitation of approximately 1.5 miles of 8-foot wide HMA pathway at the following location:

- Walton Boulevard (S Side) from 200 foot east of Adams Rd to Livernois Rd.

Pathway Construction

The Scope of Work for this project involves constructing approximately 1,500 feet of 8-foot wide HMA pathway at the following locations:

- 1825 E Auburn Rd, Bible Truth Apostolic Church.
- Fronting vacant tax parcel 15-02-300-013 or approximately 1,300 foot north of Tienken Road on the east side of Rochester Rd.
- From Wimberly Dr south approximately 900 foot on the east side of Rochester Rd.

PROCESS:

Vendor Name and Address:

Florence Cement Company
12585 23 Mile Rd
Shelby Township, MI 48315

Reason for Selection:

Lowest, Responsive, Responsible Bidder

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is in the 2017 Adopted Budget as follows:

- The project total is \$481,983.65 split as:
[\$438,166.95 plus a 10% contingency of \$43,816.70]
- PW-01: Major Road Annual 1% Act 51 Non-Motorized Requirement = \$75,000.00
- PW-01: Pathway Rehabilitation Program = \$175,000.00
 - [\$157,500.00 plus a 10% contingency of \$17,500.00]
- PW-12: Rochester Road Pathway Gaps = \$178,750.00
 - [\$160,875.00 plus a 10% contingency of \$17,875.00]
- PW-06C: Auburn Pathway Funding = \$35,000.00
 - [\$31,500.00 plus a 10% contingency of \$3,500.00]

Other costs associated with the project include geotechnical services (typically 2.5% of contractor payments) and survey & layout and inspection, which will be performed by an engineering consultant.

If approved by City Council, Fiscal shall prepare the necessary 2nd Quarter Budget Amendments to increase the respective project budgets with additional funding to be drawn from Pathway Construction Fund (403) balance.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Major Road	452.970000	Construction (PW-01)	\$75,000.00	\$75,000.00	\$0.00
PW Const. Fund	403.974000	Land Improvement (PW-01)	\$175,000.00	\$175,000.00	\$0.00
PW Const. Fund	403.974000	Land Improvement (PW-12)	\$178,750.00	\$196,983.65	(\$18,233.65)
PW Const. Fund	403.974000	Land Improvement (PW-06C)	\$35,000.00	\$35,000.00	\$0.00
		TOTAL	\$463,750.00	\$481,983.65	(\$18,233.65)

RECOMMENDATION:

It is recommended that City Council award the *2017 Pathway Rehabilitation Program* to Florence Cement Company of Shelby Twp., Michigan as the lowest, responsive, responsible bidder in the amount of \$481,983.65 and further authorizes the Mayor to execute a contract on behalf of the City.

The Department of Public Services also requests City Council authorization of a 10% contingency for amount of \$43,816.70 to allow for quantity adjustments based on final measurements verified in the field.

The Department of Public Services staff will provide the following construction professional engineering services for this project: Contract administration along with outside consulting services for inspection, survey layout & staking, and geotechnical materials testing.

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

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