



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2018-0203

**TO:** Mayor and City Council Members

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

**DATE:** May 21, 2018

**SUBJECT:** Construction Engineering Services - Hamlin Road Rehabilitation Project

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**REQUEST:**

City Council is requested to authorize a blanket purchase order/contract for construction engineering services for the Hamlin Road Rehabilitation Project to Nowak & Fraus Engineers, Pontiac, Michigan in the amount not-to-exceed \$451,792.00 and further authorizes the Mayor to execute a contract on behalf of the City.

**REASON FOR PURCHASE:**

The Department of Public Services recently received bids for the Hamlin Road Rehabilitation Project. Based on the 2018 department workload, the Department of Public Services has determined an engineering consultant should perform the construction engineering services.

Staff recommends Nowak & Fraus to provide the construction engineering services to the City. The attached proposal describes the scope of services included for the construction engineering services to complete the work.

**PROCESS:**

**Vendor Name and Address:**

Nowak & Fraus Engineers  
46777 Woodward Avenue  
Pontiac, MI 48342

**Reason for Selection:**

Quality Based Selection

**Method of Purchase:**

Blanket Purchase Order/Contract

**BUDGET:**

Funding is included in the FY 2018 Adopted Budget for the Rochester Hills Section.

The City of Rochester Hills has entered into a cost participation agreement with the Road Commission for Oakland County (RCOC) to split the cost of the Rochester Hills project section 50% = RCOC and 50% = Local (Rochester Hills) Share.

The City of Rochester Hills has also approached the Local Development Finance Authority (LDFA) Board regarding the project which runs along the LDFA northern border. At the LDFA Board's April 2018 meeting, the LDFA Board approved a cost share agreement for the project whereas the LDFA Fund will contribute 75% of the remaining 50% Local (Rochester Hills) share up to \$2,000,000 maximum share.

Please note: *Previously the LDFA Board has approved a cost share agreement of 50% of the remaining 50% Local (Rochester Hills) share up to a \$1,000,000 maximum share.* If approved by City Council a 2<sup>nd</sup> Quarter Budget Amendment will be presented to increase the LDFA contribution to the Major Road Fund for this project to the new agreed upon level which will have a net positive impact on Major Road Fund Balance.

| Fund Name       | Department Account No | Account No. Description | Remaining Budget Amount | Cost         | Remaining Budget |
|-----------------|-----------------------|-------------------------|-------------------------|--------------|------------------|
| Major Road Fund | 452.970000            | Construction            | \$694,366.52            | \$451,792.00 | \$242,574.52     |

**RECOMMENDATION:**

It is recommended that City Council authorize a blanket purchase order/contract for construction engineering services for the Hamlin Road Rehabilitation Project to Nowak & Fraus Engineers, Pontiac, Michigan in the amount not-to-exceed \$451,792.00 and further authorizes the Mayor to execute a contract on behalf of the City.

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