



**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: 2009-0386

TO: Mayor and City Council Members
FROM: Roger H. Rousse, Director, Department of Public Services
DATE: September 21, 2009
SUBJECT: Water Main Improvements, M59 @ Nawakwa & Michelson
City File No. E09-050

REQUEST:

The Department of Public Services recommends awarding a contract for the M59 Water Main Improvements Project to Dan's Excavating, Inc. of Shelby Township, Michigan in the amount of \$99,052.00 and authorize the Mayor and Clerk to execute a contract on behalf of the City.

The Department of Public Services also requests City Council authorization of a 10% contingency in the amount of \$9,905.20 for a not-to-exceed project cost of \$108,957.20.

REASON FOR PURCHASE:

The M59 water main improvement project coincides with water main improvements that the Michigan Department of Transportation (MDOT) is completing for the M59 widening project that is currently underway. As part of the M59 Widening project, MDOT is lowering the City's water main that crosses M59, east of Rochester Rd. The existing water main is 6" cast iron and the City requested that the water main be increased to 12" ductile iron pipe in order to meet current design standards. There is also a portion of the 6" cast iron water main outside the MDOT Rights-of-Way. This project is to replace the remaining 6" cast iron water main that the MDOT is not replacing as part of their project. See attached map.

In lieu of going out for bids for this particular project, the City requested Dan's Excavating to submit a quote for the work. Dan's Excavating has been awarded the M59 Widening Project by the MDOT. There are construction coordination and financial advantages to having one contractor install the entire length of water main across M59. There is a high point in the water main where the MDOT has previously lowered the main years ago outside of the M59 ROW. If Dan's Excavating performs the work, this high point can be eliminated and appropriate cover can be placed over the main. DPS feels that the City will get a better product and in a more timely fashion by utilizing Dan's Excavating to perform the work. In order to ensure that the City was receiving a fair quote from Dan's Excavating, DPS requested a proposal from a contractor that has completed several projects for the City. The quote was slightly higher than Dan's Excavating.

PROCESS:

Vendor Name and Address:

Dan's Excavating, Inc.
12955 23 Mile Road
Shelby Township, MI 48315

Method of Purchase:

Blanket Order
Contract

BUDGET:

The project was identified in the approved CIP and is included in the 2009 Budget. This item was also discussed in detail with the Planning Commission and it was requested that the entire length of water main be increased to 12” diameter ductile iron pipe.

A 3rd Qtr 2009 Budget Amendment will be prepared to provide the funding necessary for this project from the Water & Sewer Capital Fund / Retained Earnings.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Water	593.972000	Mains & Services	\$72,100	\$108,957.20	(\$36,857.20)

RECOMMENDATION:

The Department of Public Services recommends that City Council award the contract for the M59 Water Main Improvements to Dan’s Excavating, Inc. of Shelby Township, Michigan in the amount of \$99,052.00 and authorize the Mayor and Clerk to execute a contract on behalf of the City. Per Article VI, Section 2-281 of the Rochester Hills City Ordinance, DPS is requesting that City Council waive the Purchasing Ordinance Section 2-275-c-1, Formal Competition Required.

The Department of Public Services also requests City Council authorize a 10% contingency in the amount of \$9,905.20. The Department of Public Services staff will provide construction services for this project including: inspection, complaint resolution, and contract administration.

Attachment: Location Map

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		