



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2010-0521

TO: Mayor and City Council Members
FROM: Scott Cope, Director of Building Department
DATE: November 23, 2010
SUBJECT: Roofing Insulation at Fire Station #1

REQUEST:

The Building Department requests approval for the purchase of roofing insulation at Fire Station #1 to MAG Insulation, Inc., Auburn, Michigan in the amount of \$108,730.00 with a contingency of \$10,873.00 for a total not-to-exceed amount of \$119,603.00 and authorizes the Mayor to execute a contract on behalf of the City.

REASON FOR PURCHASE:

Recognizing the need to improve energy efficiencies in public buildings, the City included in its submission for American Recovery and Reinvestment Act (ARRA) funds and received EECBG funding approval of \$142,500.00 with a 10% contingency for roofing insulation at Fire Station #1.

Request for Proposals (RFP) were solicited in June, 2010 without response and again in September, 2010, with two (2) proposals received. Upon evaluation, one proposer was deemed unresponsive, as bid bonds and required proposal forms were not submitted. MAG Insulation, Inc. was selected as providing a fair and reasonable price for the project. After negotiation, an additional area was added to the project within the base bid. The City is additionally including the corridor roof deck to the project. References for all contractors were contacted with positive responses. MAG Insulation, Inc. has performed similar roofing insulation projects requiring project sequencing, staff movement and isolating areas within occupied buildings. The cost of the project includes compliance with Federal requirements attached to the stimulus funding, including but not limited to, Davis Bacon and Buy American.

The roof insulation project at Fire Station #1 includes sprayed insulation on the underside of the deck in the administration area and the beam around the perimeter of the building and inclusion of a thermal ignition barrier. This project will upgrade this portion of the building to R-24, achieving higher energy efficiency. Due to the nature of spraying insulation, the project is complicated by the phasing and movement of people and equipment throughout the building as each section is sprayed.

The estimate energy savings for both phases of the insulation project is \$5,000.00 per year.

PROCESS:

Vendor Name and Address:

MAG Insulation, Inc.
4527 S. Garfield Rd
Auburn, MI 48611

Reason for Selection:

Single Proposal/Reasonable Cost Proposal

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

- Funding for this project is included as part of the 4th Qtr 2010 Proposed Budget Amendment
- All funding is anticipated to be reimbursed at 100% by the EECBG Grant

Fund Name	Department Account No	Account No. Description	2010 Proposed Budget Amount	Cost	Remaining Budget
631 – Facilities	480.807000	EECBG-Contractual	\$142,500	\$119,603	(\$22,897)

RECOMMENDATION:

It is recommended that the Rochester Hills City Council approve the purchase of roofing insulation at Fire Station #1 to MAG Insulation, Inc., Auburn, Michigan in the amount of \$108,730.00 with a contingency of \$10,873.00 for a total not-to-exceed amount of \$119,603.00 and authorizes the Mayor to execute a contract on behalf of the City.

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