



**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: 2008-0113

TO: Mayor and City Council Members

FROM: Roger H. Rousse, Director, Department of Public Service

DATE: March 11, 2008

SUBJECT: East Ferry Drain Improvements – City File #E01-206
John R Road, Spencer Park, Pathway and Water Main Improvements – City File #E05-004
Michelson Pump Station Improvements – City File E05-013

REQUEST:

The Department of Public Services recommends accepting the bid and awarding the contract for the East Ferry Drain, John R Road, Spencer Park, Pathway, Water Main, and Michelson Pump Station Improvements to DiPonio Contracting, LLC of Shelby Twp., Michigan as the lowest, responsive, responsible bidder in the amount of \$3,379,998.69 and authorize the Mayor and Clerk to execute a contract on behalf of the City.

The Department of Public Service also requests City Council authorization of a 10% contingency in the amount of \$338,000.00 to allow for quantity adjustments based on final measurements verified in the field.

REASON FOR PURCHASE:

On Monday, March 10, 2008, the City received seven (7) sealed bids for the East Ferry Drain, John R Road, Spencer Park, Pathway, Water Main, and Michelson Pump Station Improvements (bid tabs attached). Of the seven (7) bids received, DiPonio Contracting, LLC was the lowest, responsive, responsible bidder. The bid received from DiPonio Contracting, LLC is 23% below the engineering cost estimate, which is shown on the attached bid tabulation. Work is expected to begin in April 2008 with a completion date scheduled for November 2008.

The Scope of Work for each portion of the project is as follows:

East Ferry Drain Background

The proposed East Ferry Drain improvements involves providing enclosed storm sewer drainage for John R Road from Auburn Road to Michelson Road, for Michelson Road from John R Road to the Ferry Drain, and for Bendelow Road from Michelson Road to Auburn Road. The construction of the drain is necessary to provide public health and safety, correct water ponding within the traveled roadway, promote a safe and stable road base, and also help alleviate flooding and ponding of water on private property. It is also necessary to provide drainage improvements for John R Road prior to, or as part of, the road reconstruction.

John R Road Design Background

The proposed John R Road improvements involves reconstructing John R from South Boulevard to Auburn Road, including the construction of a dedicated center left-turn lane. The center left-turn lane will provide enhanced safety benefits for the motoring public during vehicular ingress to the various driveway access points. The segment of John R from Auburn to Hamlin will be resurfaced, including filling in the center left-turn lane “gap” north of Auburn Road.

Pathway

The proposed pathway improvements include constructing an eight (8) foot wide asphalt pathway to complete the majority of the pathway “gaps” along the east and west sides of John R Road between South Boulevard and Auburn Road. The remaining 2,000 feet of pathway along the west side of John R, south of Auburn, will be completed with the 2009 pathway program.

Spencer Park

The proposed Spencer Park improvements include paving the existing gravel parking lot, resurfacing the entrance road, and utilizing the Recycled Asphalt Materials from John R Road to “pave” the trailway loop around Spencer Lake.

Water Main

The proposed water main improvements include replacing approximately 1,000 linear feet of an existing segment of 12” asbestos cement (AC) water main with 12” ductile iron water main.

Michelson Pump Station

The proposed Michelson Pump Station improvements include the relocation and reconstruction of the existing Michelson pump station to an area outside of the 100-year flood plain, and further away from the proposed storm sewer discharge pipe.

PROCESS:

Vendor Name and Address:

DiPonio Contracting, LLC
Shelby Twp., MI 48316

Reason for Selection:

Lowest, Responsive, Responsible Bidder

Method of Purchase:

Blanket Order
Contract

BUDGET:

The project is included in the 2008 Budget for **Drains** - \$1,790,360.00 (construction); **Major Roads** - \$2,127,500.00 (construction); **Parks** - \$210,000.00 (construction); **Pathway** - \$201,000.00 (construction); **Water** - \$100,000.00 (construction); and **Sewer** - \$320,000.00 (construction).

The Department of Public Service staff will provide the construction professional engineering services for the water main and Spencer Park trailway portions of this project, including: inspection, and complaint resolution, which will be charged to the project. City staff will perform the contract administration work for the entire project. Outside consulting services for geotechnical materials testing will be charged to the project.

Hubbel, Roth & Clark, Inc. will provide the construction professional engineering services for the remaining items of work for this project including: inspection and complaint resolution, as well as, the survey, layout & stakeout, which will also be charged to the project.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost¹	Remaining Budget
Drains	244.974000 Land Improvement	Construction SW-06	\$1,790,360.00	\$1,038,485.48 \$ 103,848.55 \$1,142,334.03	\$648,025.97
Major Road	452.970000 Construction	Construction MR-30	\$402,500.00	\$ 167,215.00 \$ 16,721.50 \$ 183,936.50	\$218,563.50
Major Road	452.970000 Construction	Construction MR-31	\$1,725,000.00	\$1,287,891.51 \$ 128,789.28 \$1,416,680.79	\$308,319.21
Facilities	631.974000 Land Improvement	Construction PK-04A/B	\$320,000.00	\$ 218,855.50 \$ 21,885.55 \$ 240,741.05	\$79,258.95
Pathway	403.974000 Land Improvement	Construction PW-31	\$201,000.00	\$ 103,732.20 \$ 10,373.22 \$ 114,105.42	\$86,894.58
Water	593.972000 Mains & Services	Construction WS-31	\$100,000.00	\$ 153,531.00 \$ 15,353.10 \$ 168,884.10	(\$68,884.10)
Sewer	593.972000 Mains & Services	Construction SS-23B	\$320,000.00	\$ 410,288.00 \$ 41,028.80 \$ 451,316.80	(\$131,316.80)
		Totals:	4,858,860.00	\$3,379,998.69	\$1,140,861.31
		Contingency		\$ 338,000.00	
		Grand Total:		\$3,717,998.69	

¹Represents the bid amount, 10% contingency amount, and the total amount in bottom line.

RECOMMENDATION:

It is recommended that City Council award the contract for the East Ferry Drain, John R Road, Spencer Park, Pathway, Water Main, and Michelson Pump Station Improvements to DiPonio Contracting, LLC of Shelby Twp., Michigan as the lowest, responsive, responsible bidder in the amount of \$3,379,998.69 and authorize the Mayor and Clerk to execute a contract on behalf of the City.

It is recommended that City Council also authorize a 10% contingency in the amount of \$338,000.00 [\$103,848.55 SW; \$145,510.78 MR; \$ 21,885.55 PK; \$10,373.22 PW; \$15,353.10 WS; \$41,028.80 SS]

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

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