



**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: 2010-0283

TO: Mayor and City Council Members
FROM: Roger H. Rousse, Director, Department of Public Services
DATE: July 7, 2010
SUBJECT: John R Pathway Improvement Project, City File #E08-011

REQUEST:

The Department of Public Services recommends accepting the bid and awarding the contract for the *John R Pathway Improvement Project* to Florence Cement Company of Shelby Township, Michigan as the lowest, responsive, responsible bidder in the amount of \$359,881.45 and authorizes 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 \$35,988.14 to allow for quantity adjustments based on final measurements verified in the field.

REASON FOR PURCHASE:

On Wednesday, June 30, 2010, the City received five (5) sealed bids for the *John R Pathway Improvement Project* (bid tabs attached). The bid received from Florence Cement Company is 1.25% below the engineering cost estimate, which is shown on the attached bid tabulation. Work is expected to begin in August of 2010.

The Scope of Work for this project involves constructing approximately 4,500 feet of 8 foot wide HMA pathway using 1.5 inches of HMA, 13A over 2.5 inches of HMA, 3C over 4 inches of 21AA Aggregate Base and related items of work. The project is located on the east side of John R Road, from Avon Road northerly to about 50 feet west of the parking lot in Bloomer Park.

PROCESS:

Vendor Name and Address:

Florence Cement Company
12585 23 Mile Road
Shelby Twp, MI 48315

Reason for Selection:

Lowest, Responsive, Responsible Bidder

Method of Purchase:

Blanket Order
Contract

BUDGET:

The project was identified in the 2010 CIP and 2010 Adopted Budget as PW-31E, John R Road Pathway Improvement Project in the amount of \$337,050.00. The total pathway cost of the project is \$395,869.60 [\$359,881.45 plus a 10% contingency of \$35,988.14].

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Pathways	403.974000	Pathway Construction (PW-31E)	\$337,050.00	\$395,869.60	(\$58,819.60) ¹

¹ A 3rd Quarter Budget Amendment in the amount of \$68,000.00 [\$58,819.60 for contractor payments above plus \$9,180.40 for geotechnical material testing] will be forthcoming for Pathway Fund 403.974000 (Land Improvement).

RECOMMENDATION:

It is recommended that City Council award the contract for the *John R Pathway Improvement Project* to Florence Cement Company of Shelby Township, Michigan as the lowest, responsive, responsible bidder in the amount of \$359,881.45 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 \$35,988.14 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 including: inspection, complaint resolution, and contract administration, along with outside consulting services for geotechnical materials testing and project staking.

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