



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: 2020-0093

TO: Mayor and City Council Members

FROM: Scott Cope, Director Building/Ordinance/Facilities

DATE: April 27, 2020

SUBJECT: Van Hoosen Jones Cemetery Concrete Replacement & Storage Barn Renovation

REQUEST:

City Council is requested to authorize a blanket purchase order/contract to Meridian Contracting Group, LLC, Washington, Michigan for the removal and replacement of concrete outside and within the storage building at the Van Hoosen Jones Cemetery in the amount of \$43,780.00 with a 10% project contingency in the amount of \$4,378.00 for a total not-to-exceed cost of \$48,158.00.

REASON FOR PURCHASE:

In 2018, the City bid a project for the construction of a Storage Barn at the Van Hoosen. Construction of the storage barn was completed in 2018. Shortly after completion of construction, the storage barn was experiencing flooding inside the building during rain storms. The City contacted their architect, H2A, who had completed the plans for the project, and requested they investigate and determine the issue.

Based on their investigation, it was determined the grading that was specified as part of the contract documents was not sufficient for the area. The architect agreed that it was an error in the plans and specifications and submitted a claim through their insurance company to cover the cost of the repair work that would be needed to correct the issue. The insurance company approved the claim, and will reimburse the City for the work that needs to be done to correct the issues. The insurance company requested that the City bid the project for the corrected work and will in turn submit to the insurance the awarded contract and costs. The insurance company, based on the award of the project to the lowest, responsive, responsible bidder, will issue a check to the City for the cost of the work that needs to be completed.

H2A utilizing Rowe Engineering, for the engineering portions of the work, provided new bid documents and drawings for correction of the work. The Purchasing Division solicited an Invitation for Bid utilizing the MITN system. Two bids were received. In review of the bids, award is recommended to Meridian Contracting Group, LLC as the lowest, responsive, responsible bidder. Meridian Contracting Group has performed previous concrete work with the City and we have been satisfied with the work performed.

There is some additional work as part of this project that the City felt was for the betterment of the area, and the City will be responsible for those costs. The City has requested approval of a contract in the amount of \$43,780.00, of that amount the City will be responsible for \$3,750.00 and the rest will be reimbursed by the insurance company.

PROCESS:

Vendor Name and Address:

Meridian Contracting Group
6149 Trailside Dr.
Washington, MI 48094

Reason for Selection:

Lowest Responsive Responsible Bidder

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding for the City's portion is included in the FY 2020 Adopted Budget.

If approved by City Council, a 2nd Quarter Budget Amendment will be forthcoming to increase the revenue from the insurance company to offset the expense.

Expense:

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities	631.929000	Repairs & Maintenance	\$50,000	\$48,158.00	\$1,842.00

Revenue:

Fund Name	Department Account No	Account No. Description	Budget Amount	Revenue	Remaining Budget
Facilities	631.687000	Refunds & Rebates	\$0.00	+\$40,030.00	+\$40,030.00

Net Cost to City = \$8,128.00 (\$3,750 + 10% Total Project Contingency of \$4,378)

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order/contract to Meridian Contracting Group, LLC, Washington, Michigan for the removal and replacement of concrete outside and within the storage building at the Van Hoosen Jones Cemetery in the amount of \$43,780.00 with a 10% project contingency in the amount of \$4,378.00 for a total not-to-exceed cost of \$48,158.00; and further authorizes the Mayor to execute the contract amendment on behalf of the City.

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

Contract Reviewed by City Attorney Yes N/A