



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

**1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No:** 2008-0566

**TO:** Mayor and City Council Members

**FROM:** Roger Rousse, Director, Department of Public Services

**DATE:** October 31, 2008

**SUBJECT:** Rochester College Water Main Replacement Project  
City File No. E06-027  
Brewster Road Water Main Replacement Project  
City File No. E08-005

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**REQUEST:**

The Department of Public Services recommends accepting the bid and awarding a contract for the Rochester College and Brewster Road Water Main Replacement Projects to D & M Contracting, Inc. of Shelby Township, Michigan as the lowest responsive, responsible bidder in the amount of \$229,489.75 plus a 10% contingency in the amount of \$22,948.98 and authorize the Mayor and Clerk to execute a contract on behalf of the City.

**REASON FOR PURCHASE:**

On October 30, 2008 the City received twenty-one (21) sealed bids for the Rochester College and Brewster Road Water Main Replacement Projects. RMJ Development, LLC was the apparent low bidder, but has since withdrawn their bid due to inaccuracies. Award is recommended to the second lowest, responsive and responsible bidder. Construction is expected to commence in November / December 2008 with final completion no later than 60 days after issuance of the Notice to Proceed. However, if final restoration cannot be completed within the 60 days due to weather conditions, the contractor will have until May 15, 2008 to complete restoration.

The scope of work for the Rochester College project consists of replacing approximately 460 LFT of 8" water main on campus. The water main being replaced on the campus of Rochester College has had two breaks in the main within the last few years. We believe the pipe deterioration is due to corrosive ground materials. The new pipe will be wrapped in polyethylene to protect to new main from corrosive materials. The Brewster Road project includes the replacement of approximately 1,070 LFT of 16" water main along Brewster Road between Powderhorn Ridge Road and Hidden Valley Drive. This particular pipe has been repaired over time and the integrity of the existing pipe is in question. Both projects are being completed in order to avoid possible future water main breaks. Both projects are included in the 2008 budget. The combined projects are expected to result in overall cost savings in lieu of two stand-alone projects.

The Department of Public Services staff will provide construction services for this project including: inspection, complaint resolution, and contract administration. Outside consulting services for geotechnical materials testing will be utilized.

**PROCESS:**

**Vendor Name and Address:**

D & M Contracting, Inc.  
12501 23 Mile Road  
Shelby Township, MI 48315

**Reason for Selection:**

Lowest responsive, responsible bidder.

**Method of Purchase:**

Blanket order  
Contract

**BUDGET:**

Costs associated with the Rochester College water main replacement project were identified in the 2008-2013 Capital Improvement Plan (CIP) and approved in the 2008 budget for \$92,000.00 as WS-49.

Costs associated with the Brewster Road water main replacement project first appeared in the 2006 Capital Improvement Plan (CIP), was in the 2008-2013 CIP and approved in the 2008 budget as WS-05B for \$200,000. In the second quarter budget amendment an additional \$50,000.00 was approved to cover the estimated cost of the project.

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
Water	592.972000	Equipment Mains & Services (WS-49)	\$92,000.00	\$50,887.38	\$41,112.62
Water	593.972000	Equipment Mains & Services (WS-05B)	\$250,000.00	\$201,551.35	\$48,448.65

**RECOMMENDATION:**

Department of Public Services recommends that the City Council award the contract for Rochester College and Brewster Road Water Main Replacement Projects to D & M Contracting of Shelby Township, Michigan as the lowest responsive, responsible bidder in the amount of \$229,489.75 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 \$22,948.98 to allow for quantity adjustments based on final measurements verified in the field.

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