



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: 2021-0118 Version 2

TO: Mayor and City Council Members

FROM: Allan E. Schneck, P.E., Director Department of Public Services

DATE: June 7, 2021

SUBJECT: Increase to 2021 Concrete Road Replacement Construction Program #2
City File No. E21-005

REQUEST:

City Council is requested to authorize an increase to the contract/blanket purchase order for the 2021 Concrete Road Replacement Construction Program #2 in the amount of \$119,542.80 with a 10% project contingency in the amount of \$11,954.28 for a new total not-to-exceed project amount of \$2,248,771.10 to Koala-T Construction, Inc., Holly, Michigan and further authorizes the Mayor to execute a contract amendment on behalf of the City.

REASON FOR PURCHASE:

The City issued an Invitation to Bid for the 2021 Concrete Road Replacement Program #2 utilizing the MITN system, with four (4) bid responses received. Of the bid responses received, Koala-T Construction, Inc., was the lowest, responsive, responsible bidder. City Council at their April 12, 2021 meeting authorized the award to Koala-T Construction, Inc.

The increase to the contract is being requested due to a water main break repair recently completed on this road and is the recommendation of DPS to reconstruct the entire street versus isolated pavement repair as the entire street is in need of reconstruction in the very near future. This is recommended as it is seen as a time savings, as well as savings in material based on the contractor being in the same area performing other road reconstruction services. Koala-T Construction, Inc., has agreed to perform the reconstruction and hold to their unit prices as bid.

PROCESS:

Vendor Name and Address:

Koala-T Construction, Inc.
13448 Chateau Cove
Holly, MI 48442

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding is included in the FY 2021 Adopted Budget

| Fund Name | Department Account No | Account No. Description | Budget Amount | Cost | Remaining Budget |
|--------------|-----------------------|--|----------------|----------------|------------------|
| Local Street | 454.970000 | LS-01: Local Street Rehabilitation Program | \$2,427,527.80 | \$2,248,771.10 | \$178,756.70 |

RECOMMENDATION:

It is recommended that City Council authorize an increase to the contract/blanket purchase order for the 2021 Concrete Road Replacement Construction Program #2 in the amount of \$119,542.80 with a 10% project contingency in the amount of \$11,954.28 for a new total not-to-exceed project amount of \$2,248,771.10 to Koala-T Construction, Inc., Holly, Michigan and further authorizes the Mayor to execute a 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