



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: 2024-0216

TO: Mayor and City Council Members
FROM: Bill Fritz, P.E., Director Department of Public Services
DATE: April 22, 2024
SUBJECT: 2024 Concrete Road Replacement Program, City File #E24-001

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for the 2024 Concrete Road and Sidewalk Replacement Program to Koala-T Construction Corporation, Holly, Michigan in the amount of \$1,744,280.58 with a 10% project contingency in the amount of \$174,428.00 for a total not-to-exceed project amount of \$1,918,708.58 and further authorize the Mayor to execute an agreement on behalf of the City.

REASON FOR PURCHASE:

On Thursday, April 4, 2024, the City received 5 sealed bids for the *2024 Concrete Road Replacement Program* (bid tabs attached). Of the bids received, Koala-T Construction was the lowest, responsive, responsible bidder. The bid received from Koala-T is 12% under the engineering cost estimate. Koala-T Construction, Inc., has performed work in the past for the City and we have been satisfied with their services, as well as their communication during the work.

Project Area Locations:

Wales, Summit Ridge, Salem, Stonetree Circle, Essex, Parkland Ct, Harvard and Grosvenor intersection, and Buttercup Drive.

PROCESS:

Vendor Name and Address:

Koala-T Construction Corporation
424 Ferry Avenue
Pontiac, MI 48341

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is included in the FY 2024 Adopted Budget, remaining from the FY 2024 Asphalt Road Replacement Program.

Fund Name	Department Account No	Account No. Description	Remaining Budget Amount	Cost	Remaining Budget
Local Street Fund	454.970000	LS-01: Local Street Rehabilitation	\$2,792,404.48	\$1,918,708.58	\$873,695.90

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order/contract for the 2024 Concrete Road Replacement Program to Koala-T Construction Corporation, Holly, Michigan in the amount of \$1,744,280.58 with a 10% project contingency in the amount of \$174,428.00 for a total not-to-exceed project amount of \$1,918,708.58 and further authorize the Mayor to execute an agreement on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A