



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: 2025-0183

TO: Mayor and City Council Members

FROM: Bill Fritz, P.E., Director Department of Public Services

DATE: April 28, 2025

SUBJECT: 2025 Concrete Road Replacement Program / City File #E25-001

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for the 2025 Concrete Road and Sidewalk Replacement Program to Koala-T Construction Corporation, Pontiac, Michigan in the amount of \$2,848,488.50 with a 10% project contingency in the amount of \$284,848.85 for a total not-to-exceed project amount of \$3,133,337.35 and further authorize the Mayor to execute an agreement on behalf of the City.

REASON FOR PURCHASE:

The City issued an Invitation for Bid on the MITN website with a due date of Wednesday, March 26, 2025. The City received 4 sealed bids for the *2025 Concrete Road Replacement Program* (bid tabs attached). Of the bids received, Koala-T Construction was the lowest, responsive, responsible bidder. 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.

Road Replacement Project Area Locations:

Independence Ct., Charlwood Dr, Cedar Shake Dr, Lakewood Dr, Sugar Pine Rd, Pheasant Ring Dr, Flanders Dr and Eddington Blvd.

Sidewalk Replacement Project Area Locations:

Clear Creek, Rookery Woods, and East Hampton Subdivisions

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 2025 Adopted Budget, remaining from the FY 2025 Asphalt Road Replacement Program.

If approved by City Council, a 2nd Quarter Budget Amendment shall be prepared to reclassify a portion of the Remaining Budget from the Local Street Rehabilitation Construction project budget to the Local Street Sidewalk Rehabilitation project.

Fund Name	Department Account No	Account No. Description	Remaining Budget Amount	Cost	Remaining Budget
Local Street Fund	454.970000	Construction: LS-01 / Local Street Rehab.	\$3,353,666.50	\$2,487,547.70	\$866,118.80
Major Road Fund	452.970000	Construction: MR-64 / Eddington Rehab.	\$900,000.00	\$589,799.65	\$310,200.35
Local Street Fund	464.807000	Contractual Services: Sidewalk Rehab	\$20,000.00	\$55,990.00	(\$35,990.00)
		GRAND TOTAL	\$4,273,666.50	\$3,133,337.35	\$1,140,329.15

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order/contract for the 2025 Concrete Road Replacement Program to Koala-T Construction Corporation, Holly, Michigan in the amount of \$2,848,488.50 with a 10% project contingency in the amount of \$284,848.85 for a total not-to-exceed project amount of \$3,133,337.35 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