



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

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Legislative File No: 2020-0306

**TO:** Mayor and City Council Members

**FROM:** Scott Cope, Director Building/Facilities/Ordinance  
Ken Elwert, CPRE, Director Parks/Natural Resources  
Patrick McKay, Museum Manager

**DATE:** August 10, 2020

**SUBJECT:** Reconstruction of Dairy Barn Roof and Construction of Equipment Barn at Van Hoosen Farm

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**REQUEST:**

It is requested that City Council authorize a contract/blanket purchase order for construction management services at Van Hoosen Farm for the reconstruction of the Dairy Barn Roof in the amount of \$2,410,944 and the reconstruction of the Equipment Barn in the amount of \$1,098,966 for a total not-to-exceed project amount of \$3,509,910 to the George W. Auch Company, Pontiac, Michigan and authorize the Mayor to execute a contract on behalf of the City.

**REASON FOR PURCHASE:**

The City, utilizing Oakland County's Cooperative Purchasing Program, contracted with the George W. Auch Company to provide as-needed construction management services to assist the City with some of the larger, more complex projects budgeted for the current year or if there are issues that arise. Oakland County issued a Request for Proposals in which they issued and awarded an as-needed construction management services contract to the George W. Auch Company and extended it to other MITN agency members.

The George W. Auch Company worked in coordination with the City's Architect and the City to determine the scope of work that is needed to complete the successful reconstruction of the Dairy Barn Roof and the reconstruction of the Equipment Barn at the Rochester Hills Museum at Van Hoosen Farm. In coordination with the City's Purchasing Division, Auch issued an Invitation to Bid for this project and those recommendations for award to each trade are attached to this agenda item. Recommendations to the City for approval of the awards of the trade contracts are being made based upon review by the Procurement Manager of each of the lowest, responsive, responsible bidders, as well as Auch's recommendations.

When bids were received there were two trade areas where bids were not received. Auch, on behalf of the City, will resolicit those trade areas and once those bids are received and an amendment for an increase to this contract will be brought back to City Council for approval in order for that work to be added into the contract and be completed. The two (2) trade areas were Steel and Asphalt.

It was determined that the City would bring forward the recommendation to City Council with the pricing we did receive in order to begin work on the project ASAP. The steel and asphalt will not impact the start of this job, as these are trades that will not be needed until later in the project.

The asphalt industry is currently seeing a very large increase in work to be done, so much so that the contractors/subcontractors are not available to accept any more asphalt paving jobs. As we have seen, the market in this area is very competitive and the contractors available to perform this type of work are already

committed to many large jobs. The road worker strike last year (2019), the COVID pandemic this year (2020), and the increased demand for road projects in our area has pushed contractors behind schedule and has created a lot of work in the market to be competed for and project deadlines that have to be met by these companies. Additionally, we've learned that because of this demand for asphalt the price for concrete work has significantly dropped, where the pricing for concrete has become just as competitive as asphalt and is being recommended more so because contractors are available to perform this work based on the demand differences in the two industries. The fact that the price of concrete has become comparable to asphalt speaks volumes as concrete pricing has always exceed asphalt pricing significantly.

The Dairy Barn roof replacement is an emergency replacement project that was identified last year. The City had several structural engineers review the roof structure, as well as our risk managers, who determined the entire roof structure needs to be replaced. Its construction in 1927 no longer meets the structural codes of today.

The Equipment Barn is part of the Capital Improvement Plan (PK-03F). In February 2019, City Council approved H2A Architects to provide Architectural/Engineering Services for the development of cost projections, construction drawings, specifications, and construction administration for the Equipment Barn. The Museum has approximately \$240,000 in private funds available to support the Equipment Barn reconstruction that includes a \$50,000 grant from the Michigan Council for Arts and Cultural Affairs. The City of Rochester Zoning Board of Appeals has already approved the City's plans this new construction. The Equipment Barn is part of the long range plan to accurately interpret the Van Hoosen Farm and will be an exact replica of the original building that was removed in 1999. The upper level will be used to store equipment and supplies that support the Museum operation. This will allow the Milk House and Bull Barn to be open for public tours and no longer require them to be used for storage. The lower level will contain artifacts that will interpret various Science, Engineering, Math, and Technology (STEM) themes.

#### **PROCESS:**

##### **Vendor Name and Address:**

George W. Auch Company  
735 South Paddock Street  
Pontiac, MI 48341

##### **Reason for Selection:**

Best Value; Cooperative Contract

##### **Method of Purchase:**

Contract/Blanket Purchase Order

#### **BUDGET:**

Funding for the combined two (2) projects is included in the FY 2020 Adopted Budget.

Currently the combined two (2) projects are \$690,090 under budget. The Construction Manager has advised the City to retain \$200,000 of the remaining project budget to cover the trade areas for the steel and asphalt which have not yet been awarded. Accounting for those remaining trade items, the overall combined projects are anticipated to come in at \$490,090 under budget.

If approved by City Council, a 3<sup>rd</sup> Quarter 2020 Budget Amendment shall be presented:

- Reduce the Dairy Barn Roof project budget by (\$975,000) to a revised project budget of \$2,500,000, retaining approximately \$80,000 in the project budget for steel.
- Increase the Equipment Barn project budget by \$500,000 to a revised project budget of \$1,225,000, accounting for the additional \$373,966 in construction costs as well as approximately \$120,000 for steel and asphalt parking lot.

The grand total net impact will reduce the overall budget for the two (2) projects by \$475,000, with those funds being returned back to the Capital Improvement Fund which provided the majority of funding for these projects.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities Fund	631.976000	Building Improvement / Dairy Barn Roof Replacement	\$3,475,000	\$2,410,944	\$1,064,056
Facilities Fund	631.975000	Building / Museum Equipment Barn	\$725,000	\$1,098,966	(\$373,966)
		<b>Grand Total</b>	<b>\$4,200,000</b>	<b>\$3,509,910</b>	<b>\$690,090</b>

**RECOMMENDATION:**

It is recommended that City Council authorize a contract/blanket purchase order for construction management services at Van Hoosen Farm for the reconstruction of the Dairy Barn Roof in the amount of \$2,410,944 and construction of an Equipment Barn in the amount of \$1,098,966 for a total not-to-exceed project amount of \$3,509,910 to the George W. Auch Company, Pontiac, Michigan and authorize the Mayor to execute a contract 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