



**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: 2009-0153

TO: Mayor and City Council Members

FROM: Roger H. Rousse, Director, Department of Public Service

DATE: April 1, 2009

SUBJECT: “2009” Concrete Road Slab Replacement Program, City File #E09-002

REQUEST:

The Department of Public Service recommends accepting the extended unit prices from the existing “2008” Local Street Concrete Slab Replacement Program and awarding the contract for the “2009” Concrete Road Slab Replacement Program to Six-S, Inc. of Waterford, Michigan in the amount of \$1,900,000.00 and authorize the Mayor and Clerk to execute a contract on behalf of the City.

The Department of Public Service also requests City Council authorization of a 10% contingency in the amount of \$190,000.00 to allow for quantity adjustments based on final measurements verified in the field.

REASON FOR PURCHASE:

The City has requested that the existing unit prices previously awarded be held over for the 2009 Concrete Road Slab Replacement Program since it is consistent with the existing project scope. Also, based upon recent market studies, ready-mix concrete costs have increased 4.4% from 2008 to 2009 and the Producer’s Product Index – Concrete Product Manufacturing Index indicates that costs have increased 5.2% from 2008 to 2009. Additionally, by extending the unit prices from the 2008 program the proposed replacement work will be able to commence immediately.

The Scope of Work for includes drainage structure adjust/recondition/reconstruct; installation of under drains; placement of 6” of aggregate base for concrete roads and 4” for concrete drives, concrete pavement removal and replacement; restoration; and other miscellaneous items of work.

The typical existing road cross section consist of 7” to 8” non-reinforced concrete pavement, with integral curb & gutter, placed on existing subgrade. The replacement pavement section consists of 8” concrete pavement (non-reinforced) over 6” 21AA aggregate base (crushed limestone).

The proposed locations where work is scheduled to be performed in the 2009 program includes:

- Andover Woods
- Avon Hollow
- Avon Meadows
- Avon Tech Park
- Bridgewood Farms
- Brookedale West

- Brookedale Woods
- Chichester
- Cumberland Hills
- Cumberland Woods
- Hawthorn Hills
- Heatherwood Village
- N. Fairview Farms
- Oxford Estates
- Rochester Hill Executive Park
- Valley Stream

PROCESS:

Vendor Name and Address:

Six-S, Inc.
Waterford, MI 48328

Reason for Selection:

Lowest, Responsive, Responsible Bidder

Method of Purchase:

Blanket Order
Contract

BUDGET:

The project is funded in the 2009 CIP and 2009 Adopted Budget under Local Street LS-03 [Concrete Slab Replacement] - \$1,518,320.00 and Major Road MR-03 [Concrete Slab Replacement] - \$636,250.00^A. The Local Street total is \$1,463,000.00 [\$1,330,000.00 plus a 10% contingency of \$133,000.00]. The Major Road total is \$627,000.00 [\$570,000.00 plus a 10% contingency of \$57,000.00]

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Local Street	454.970000	Construction (LR-03)	\$1,518,320.00	\$1,463,000.00	\$55,320.00
Major Road	452.970000	Construction (MR-03)	\$636,250.00	\$627,000.00	\$9,250.00

^AThe Major Road MR-03 portion of funding totals \$636,250.00 includes \$336,250.00 for miscellaneous City major roads, \$200,000.00 for LDFA major roads, and \$100,000 for Cumberland Drive.

RECOMMENDATION:

It is recommended that City Council accept the extended unit prices from the “2008” Local Street Concrete Slab Replacement Program and award the contract for the “2009” Concrete Road Slab Replacement Program to Six-S, Inc. of Waterford, Michigan as the lowest, responsive, responsible bidder in the amount of \$1,900,000.00 and authorize the Mayor and Clerk to execute a contract on behalf of the City.

The Department of Public Service also requests City Council authorization of a 10% contingency in the amount of \$190,000.00 to allow for quantity adjustments based on final measurements verified in the field.

The Department of Public Service staff will provide the following construction professional engineering services for this project including: inspection, complaint resolution, and contract administration along with outside consulting services for geotechnical materials testing.

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