



**City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
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**Legislative File No:** 2011-0280

**TO:** Mayor and City Council Members  
**FROM:** Allan Schneck P.E., DPS Director  
**DATE:** June 6, 2011  
**SUBJECT:** Avon Creek II Restoration Project & Grant Award  
City File No. E06-004.2

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**REQUEST:**

The City of Rochester Hills through the U. S. Fish and Wildlife Services has been awarded a grant for the Great Lakes Basin Fish Habitat Partnership for the Avon Creek water quality enhancements, pond restoration and creek restoration project, CIP SW-09B. The Department of Public Service recommends accepting the construction bid for Phase II of the project and requests that City Council authorizes the award of contract to Inland Lakes Landscaping Corporation of Pontiac, Michigan for construction of the project in the amount of not-to-exceed \$138,326.90.

In addition, the Department of Public Service also requests City Council authorization of a 10% contingency in the amount of \$13,832.69 to allow for quantity adjustments based on final measurements verified in the field.

**BACKGROUND:**

The Avon Creek Phase I water quality enhancements and pond restoration project contract was approved in October, 2010. Phase I work for the project is 100% City funded. The project was delayed due to the early onset of winter and the wet spring, it is now under construction and will soon be substantially complete.

Late in the planning phase of the current project the City vigorously sought grant funding that would increase the return on the City's investment. The City successfully secured \$135,000 in grant funding for improving the Avon Creek habitat and function downstream of the current project. The proposed downstream, grant funded project, is Avon Creek Phase II.

The City received bids for Avon Creek Phase II on May 24, 2010. Inland Lakes Landscaping Corporation is the lowest of 7 bids; Division A \$84,911.90 and Division B adjusted to \$33,415.00. The bid totaled \$118,326.90. An additional \$20,000.00 for a permanent low water by-pass creek to be constructed around the north side of the pond is included in the project total (\$138,326.90 + \$13,832.69 contingency = \$152,159.59) requested for Council approval. This would extend the creek improvements to approximately 1,400 feet.

Phase II is 100% grant funded up to \$135,000.00. The grant amount budgeted for construction of Phase II is \$105,500.00. We will be requesting a grant modification from U. S. Fish and Wildlife Services to increase the construction budget by \$46,659.59 to \$152,159.59 and the engineering budget to by \$4,500.00 to \$30,500.00. The requested increase in grant budget would allow the Avon Creek improvements to extend to the second bridge that is located behind the new Clinton River Watershed Council's offices and the permanent low water by-pass creek around the north side of the pond.

To insure continuous construction activity and the timely completion of the project the request is for the total cost of the entire project, which assumes approval of an increase in the grant budget. **The contractor will only complete work for which grant funding is available. If no additional grant funds are awarded we propose to limit the construction cost to the existing \$105,500.00.**

**PROCESS:**

**Vendor Name and Address:**

Inland Lakes Landscaping Corp.  
560 S. Telegraph Rd  
Pontiac, MI 48341

**Reason for Selection**

Lowest, responsive, responsible bid

**Method of Purchase**

Contract/Blanket Purchase Order

**BUDGET:**

All project funds for Avon Creek II up to \$135,000.00 will be 100% reimbursed by the grant. The design phase of the project was approved by City Council on January 24, 2011 in the amount of \$26,000.00. A 2011 2<sup>nd</sup> quarter budget amendment is proposed in the amount of \$109,000.00 (\$105,500.00 construction and \$3,500.00 CRWC partnership assistance).

**If City Council approves this contract at the full amount requested and the additional grant funding is awarded, Fiscal will prepare the appropriate budget amendments as part of the 3<sup>rd</sup> Quarter Budget Amendments.**

| <b>Fund Name</b> | <b>Department Account No</b> | <b>Account No. Description</b> | <b>Budget Amount</b> | <b>Cost</b>  | <b>Remaining Budget</b> |
|------------------|------------------------------|--------------------------------|----------------------|--------------|-------------------------|
| Water Resources  | 244.974000                   | Land Improvement SW-09A        | \$105,500.00*        | \$152,159.59 | (\$46,659.59)           |
|                  |                              |                                |                      |              |                         |
|                  |                              |                                |                      |              |                         |

\*Pending 2<sup>nd</sup>. quarter budget amendment

**RECOMMENDATION:**

The Department of Public Services recommends that City Council award a contract to Inland Lakes Landscaping Corporation for construction of the Avon Creek II restoration project in the amount of not-to-exceed \$138,326.90. In addition, The Department of Public Service also requests City Council authorize a 10% contingency in the not-to-exceed amount of \$13,832.69 to allow for quantity adjustments based on final measurements verified in the field.