



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
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[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2023-0246

**TO:** Mayor and City Council Members

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

**DATE:** May 22, 2023

**SUBJECT:** Authorization for the Department of Public Services to proceed with Rochester Industrial Park Subdivision Basin Correction and to receive reimbursement for work performed

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**REQUEST:**

The Department of Public Service wishes to proceed with the correction of a subdivision basin issue through our stand-by contractor. The City will be reimbursed for this work through a special assessment district billing, as defined by the recorded Rochester Industrial Park Subdivision detention basin agreement. This basin correction by the City of Rochester Hills contractor is proposed per the Subdivision's Home Owners Association's (HOA) request. The cost of this work is \$62,590.

**REASON FOR PURCHASE:**

The basin has failed due to erosion at the site and is causing additional issues downstream. The City of Rochester Hills has had several meetings with the HOA to correct this erosion. At this time, the HOA would like the City to lead the correction, as they feel they could not get the support needed to correct it as an HOA. Understanding that the City of Rochester Hills will add on a 10% administration fee to the cost of the project [ $\$62,590 + 10\%$  administration fee =  $\$68,849$ ], the HOA would still like the City to be the lead on this correction. Therefore, the City of Rochester Hills has asked for a non-emergency quote from our stand by contractor that would reestablish the basin to a proper design function.

**PROCESS:**

**Vendor Name and Address:**

Superior Excavating, Inc.  
2420 Auburn Road  
Auburn Hills, MI 48326

**Reason for Selection:**

Best Value/Current Contracted Vendor of the City to perform these types of repairs

**Method of Purchase:**

Blanket Purchase Order

**BUDGET:**

Funding was not specifically included in the FY 2023 Budget for the revenue or expenditure of this urgent subdivision basin repair.

If approved by City Council, the following 2<sup>nd</sup> Quarter Budget Amendments shall be presented to:

- Increase the Water Resources Fund (244) Reimbursement Revenue account by +\$68,849 for the Special Assessment made to the district
- Increase the Water Resources Fund (244) Contractual Services Expenditure account by \$62,590 to address the subdivision basin issue within the district

Fund Name	Department Account No	Account No. Description	Budget Amount	Revenue / (Cost)	Remaining Budget
Water Resources Fund	244.677000	Revenue: Reimbursement	\$0	+\$68,849	+\$68,849
Water Resources Fund	244.807000	Expenditure: Contractual Services	\$0	(\$62,590)	(\$62,592)
		<b>Grand Total: Net</b>	<b>\$0</b>	<b>+\$6,259</b>	<b>+\$6,259</b>

**RECOMMENDATION:**

It is recommended that City Council approve the Department of Public Services proceeding with the correction of the basin through Superior Excavating in the Rochester Industrial Park Subdivision and further authorize the City be reimbursed for the correction through the Special Assessment District.

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