



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: 2018-0476

TO: Mayor and City Council Members

FROM: Allan E. Schneck, P.E., DPS Director

DATE: November 12, 2018

SUBJECT: Auburn Road Reconstruction Project; City File Number E16-015
Permanent Highway Easement for Parcel 15 – 1799 E. Auburn Road
(parcel number 15-25-458-018)

REQUEST:

The Department of Public Services requests that City Council accept the permanent highway easement for 1799 E. Auburn Road and approve payment of \$430.00 to 5 Stars Alliance, LLC and Auburn Oil, LLC for the Auburn Road reconstruction project from Culbertson to Hessel.

REASON FOR PURCHASE:

The proposed Auburn Road reconstruction project includes encroachments onto the adjacent private properties. These encroachments may result from paving equipment or new pavement placement to provide acceptable transitions to existing pavements at the adjacent private properties. The project also includes the acquisition of permanent highway easements at some properties to permit construction of the pedestrian walkways. This property requires acquisition of 86 square feet of permanent highway easement.

PROCESS:

Vendor Name and Address:

5 Stars Alliance, LLC and Auburn Oil, LLC
1799 Auburn Road
Rochester Hills, MI 48307

Reason for Selection:

Permanent Highway Easement

BUDGET:

Payment for the Auburn Road reconstruction project (MR-16A) right-of-way payments were setup in the 2018 second quarter budget amendment. A total of \$75,000 was budgeted in three funds for the payment of permanent and temporary easement acquisitions. The funds and initial amounts were setup as: Major Road - \$9,750, Local Street - \$29,250 and Pathway Construction - \$36,000. During the project, the acquisition of vacant property at the northeast corner of Auburn and Emmons was available. The City chose to purchase the property and the expense (\$35,000) was charged to the Major Road fund. Thus, the Major Road budget in the below table starts as a negative \$25,250. For the remaining temporary and easement acquisitions, the permanent highway easement payments will be charged to the Major Road funds while the temporary grading permits will be split 67% and 33% between the Local Street and

Pathway Construction funds to reflect pavement work that will occur in the alleyways and areas between buildings and Auburn Road.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Major Road	452.973000	ROW Acquisition	(\$25,825.00)	\$430.00	(\$26,255.00)
Local Street	454.973000	ROW Acquisition	\$24,866.02	\$0.00	\$24,866.02
Pathway Construction	403.973000	Land	\$33,840.73	\$0.00	\$33,840.73
				TOTAL	\$32,451.75

RECOMMENDATION:

The Department of Public Services recommends that City Council accept the permanent highway easement for 1799 E. Auburn Road and approve payment of \$430.00 to 5 Stars Alliance, LLC and Auburn Oil, LLC for the Auburn Road reconstruction project from Culbertson to Hessel.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		