



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

**1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No:** 2008-0369

**TO:** Mayor and City Council Members  
**FROM:** Roger H. Rousse, Director of Public Service  
**DATE:** July 21, 2008  
**SUBJECT:** Underground Utility Repairs and/or Related Work Services

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**REQUEST:**

City Council is requested to authorize an increase to the blanket purchase order to DiPonio & Morelli Construction Company, of Milford, Michigan in the amount of \$76,000.00 for a new not-to-exceed total of \$131,105.10.

**REASON FOR PURCHASE:**

On April 11, 2007 City Council authorized a blanket purchase to DiPonio & Morelli Construction Company for underground utility repairs and related work services in the amount of \$55,105.10. The current remaining balance on the blanket purchase order is approximately \$35,000.00. Since that time, there have been two sanitary sewer services that were found to be in need of repair.

Crooks/Auburn Sanitary Sewer Replacement Project (E08-004). Through routine inspections, the City discovered that the 8" diameter sanitary sewer pipe that services the development on the NE corner of Crooks and Auburn heaved. This high point could potentially cause backups in the buildings that it services. The cause of this damage is unknown. The sewer pipe needs to be re-laid in order to function properly. Estimated cost of repair - \$51,000.00

Springhill Plaza Sanitary Sewer Replacement Project (E07-022). Through routine inspections, the City discovered a partial blockage in the 8" sanitary sewer that runs north-south parallel to the Springhill Plaza, just south of Walton, east of Adams Road. It appears as though when a sanitary sewer lead was installed to service the building, it was not installed properly, therefore, over time, created a partial blockage in the system. Through our research we have discovered that the best approach to this repair is to replace portions of the pipe in this area. Estimated cost of repair - \$80,000.00

**PROCESS:**

**Vendor Name and Address:**

DiPonio & Morelli Construction Company  
2673 E. Maple Road  
Milford, MI 48381

**Reason for Selection:**

Best value; most qualified

**Method of Purchase:**

Contract/Blanket Purchase Order

**BUDGET:**

The funds were included in the second 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>
Sewer	593.972000	Mains and Services – Crooks/Auburn	\$51,000.00	\$51,000.00	-0-
Sewer	593.972000	Mains and Services – Adams/Walton	\$80,000.00	\$80,000.00	-0-

**RECOMMENDATION:**

It is recommended that City Council authorize an increase to the blanket purchase order to DiPonio & Morelli Construction Company, of Milford, Michigan in the amount of \$76,000.00 for a new not-to-exceed total of \$131,105.10.

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