



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: 2026-0123

TO: Mayor and City Council Members

FROM: Tracey Balint, P.E., Interim Director, Department of Public Services

DATE: March 23, 2026

SUBJECT: South Adams Pathway Connections Project, City File #E24-025

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for the South Adams Pathway Connections Project to Asphalt Specialists, LLC (ASI), Pontiac, Michigan in the amount of \$521,936.35 with a 10% contingency in the amount of \$52,193.64 for a total not-to-exceed project amount of \$574,129.99 and further authorizes the Procurement Manager to execute an agreement on behalf of the City.

REASON FOR PURCHASE:

The City issued bids for the South Adams Pathway Connections project through the MITN system and received two responses. Of the bids submitted, Asphalt Specialists, LLC was the lowest, responsive, and responsible bidder.

This project has been awarded a grant through the Oakland County Access to Transit Grant Program; it is 80% funded through Oakland County with a 20% City match. Additionally, a portion of this project will be constructed in Auburn Hills, and that work will be reimbursed by Auburn Hills once the final cost is determined.

The City is recommending award of this contract to Asphalt Specialists, LLC., as the lowest, responsive, responsible bidder.

PROCESS:

Vendor Name and Address:

Asphalt Specialists, LLC
1780 East Highwood
Pontiac, MI 48340

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding for the City of Rochester Hills portion of the project is included in the FY 2026 Adopted Budget.

On November 10, 2025, an Interlocal Agreement was approved by the City of Rochester Hills City Council [2025-0456], which was also approved by the City of Auburn Hills City Council. Per Section 4 of the Interlocal Agreement [FINANCIAL CONSIDERATIONS & COMPENSATION] Auburn Hills will be responsible for one hundred percent (100%) of the Actual Construction Costs of their segment. Further per Section 4, on or after April 1, 2026, Rochester Hills shall invoice Auburn Hills for fifty percent (50%) of the estimated construction cost, totaling Seventy-Five Thousand Dollars (\$75,000). Upon final completion and acceptance by Auburn Hills of the Auburn Hills Segment, Rochester Hills shall submit a final invoice for the remaining balance due. The remaining balance due shall be calculated as the total Actual Construction Costs minus the initial \$75,000 payment.

If approved by the City Council, a 2nd Quarter Budget Amendment shall be prepared to increase the Auburn Hills expenditure portion of the project by +\$176,000 in the (403) Pathway Construction Fund, with an equal and offsetting increase to the Reimbursement revenue account in the (403) Pathway Construction Fund of +\$176,000, to account for the Auburn Hills 100% share of their portion of the project.

Upon project completion, the City of Rochester Hills will request its 80% share reimbursement request from the Oakland County Access to Transit Grant Program.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Pathway Construction Fund	403.974000	Land Improvement: Rochester Hills Portion	\$491,630.00	\$398,182.86	\$93,447.14
Pathway Construction Fund	403.974000	Land Improvement: Auburn Hills Portion	\$0.00	\$175,947.13	(\$175,947.13)
TOTAL			\$491,630.00	\$574,129.99	(\$82,499.99)

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order/contract for the South Adams Pathway Connections Project to Asphalt Specialists, LLC (ASL), Pontiac, Michigan in the amount of \$521,936.35 with a 10% contingency in the amount of \$52,193.64 for a total not-to-exceed project amount of \$574,129.99 and further authorizes the Procurement Manager to execute an agreement on behalf of the City.

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