



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM



Date: June 19, 2024

To: Robert J. Bruner, Acting City Manager

From: Megan E. Schubert, Assistant City Manager  
Robert C. Maleszyk, Chief Financial Officer  
Dee Ann Irby, Controller  
Kurt Bovensiep, Public Works Director  
Brian D Varney, Fleet Manager  
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 5: Approval to Expend Budgeted Funds and Capital Re-Appropriation- Fuel Island Renovations – Construction Management

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### History

- On November 22, 2021, Troy City Council approved a contract with OHM Advisors to begin the Detail Design and assist in the bidding process for the fuel island renovations at the Department of Public Works and City Hall locations (**RESOLUTION #2021-11-176-J-4a**).
- On September 19, 2022, Troy City Council approved a contract with Phoenix Environmental and OHM Advisors to begin construction and construction phase services for fuel island renovations at the Department of Public Works and City Hall locations (**RESOLUTION #2022-09-137-J-4d**).
- During demolition of the fuel islands it was discovered that the existing underground fuel storage tanks and plumbing were leaking causing soil contamination at both construction sites; therefore, additional excavation, backfill material, soil testing, reporting and proper disposal of contaminated soil had to take place to prepare the sites for new construction and to follow Michigan Department of Environment, Great Lakes, and Energy (EGLE) compliance requirements.
- Troy City Council approved a total contingency amount of \$195,438 on September 19, 2022 through resolution 2022-09-137-J-4d.
- Through the project finalization phase, it was recognized the estimated contingency was not enough to process final invoices.
- City Administration is estimating an additional \$275,000 worth of change orders before the project is fully accepted.
- The required funds are available in the Fleet Maintenance Enterprise Fund.

### Purchasing

The additional site work required for the Department of Public Works and City Hall Fuel Island Renovations and Construction Management will use OHM Advisors and Phoenix Environmental current contracts through an administrative change order for approximately \$275,000.



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## **CITY COUNCIL AGENDA ITEM**

### **Financial**

Funds are currently appropriated and available in the Public Works Fleet Division Capital Fund with associated Project Number 2023C0101 and account number 661.571.565.981. Current approved contingency funds for this project will be re-appropriated to account 661.549.565.975.900 and Project Numbers 2022C0101 and 2023C0090 respectively.

### **Recommendation**

City Management requests authorization to re-appropriate contingency funds in the amount of \$275,000 from account number 661.571.565.981 to account number 661.549.565.975.900 to fund the unexpected contingency required to fully accept and complete the fuel island renovations at the Department of Public Works and City Hall locations. Additionally, Project Number 2023C0101 will be closed administratively and a new number will be assigned with the 2026 budget.