

MEMORANDUM

DATE: February 23, 2026
TO: Melissa R. Marsh, City Manager
FROM: Sean P. Ballantine, Director of Public Services
SUBJECT: Contract Extension – Sunde Building

As part of the annual budget process, expiring service contracts are analyzed at the beginning of the year, and when it is determined to be in the best interest of the City, Staff reaches out to vendors to see if they are amenable to a contract extension. This is a typical provision which is included in the language of nearly all of our contracts. As most contracts expire with the fiscal year, this allows the necessary time to rebid the service in the event that an extension is not possible, and to adjust the budget accordingly. As Council approves contracts for a certain period of time, it is appropriate that an extension past this timeframe should be brought forward to them for consideration.

Sunde Building is the City’s long-time water and sewer contractor, having served the citizens of Madison Heights since the 1940s. They continue to be a highly valued partner of the DPS, providing skilled and dedicated support, both routine and on an emergency basis, to our water and sewer systems. Once again, they are amenable to a contract extension, which has been prepared for consideration.

Staff recommends that Council approve the contract extension as presented with Sunde Building, of Royal Oak, and authorize the Mayor to sign on behalf of the City.

City of Madison Heights
Department of Public Services
801 Ajax Drive
Madison Heights, Michigan 48071