

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: 2015-0132 Version 2

TO: Mayor and City Council Members

FROM: Allan E. Schneck, P.E., Director, Department of Public Services

DATE: October 26, 2015

SUBJECT: Increase to Blanket Purchase Order for As-Needed Construction Inspection Services

REQUEST:

City Council is requested to authorize an increase in the blanket purchase order to Spalding DeDecker Associates, Inc., Rochester Hills, Michigan for as-needed construction inspection services in the amount of \$50,000.00 for a new not-to-exceed amount of \$200,000.00 through December 31, 2015.

REASON FOR PURCHASE:

On April 20, 2015 City Council approved a blanket purchase order in the amount of \$150,000.00 to Spalding DeDecker Associates, Inc. to assist the City in performing construction inspection services as needed due to the numerous public and private development projects expected to be completed this year.

Construction inspection services performed on private development projects are pass-through in nature, meaning that offsetting private developer escrow funds will be charged as revenues to offset the private inspection services expenditures.

The requested blanket amount increase of \$50,000.00 is based on Spalding DeDecker Associates summary of the work completed to date and an estimate of the hours still needed to perform inspection on a private development project that commenced this summer.

PROCESS:

Vendor Name and Address:

Spalding DeDecker Associates, Inc. 905 South Boulevard East Rochester Hills, MI 48307

Reason for Selection:

Quality Based Selection Process

Method of Purchase:

Blanket Purchase Order, Contract

BUDGET:

If approved by City Council, Fiscal shall include the following expenditures <u>and</u> offsetting pass-through revenues as part of the 4th Quarter Budget Amendment, after those amounts are better known.

| - 11 | Department | Account No. | Current Budget | Proposed Budget | Remaining |
|-----------------|------------|-----------------------|-------------------|--------------------|------------|
| Fund Name | Account No | Description | Amount | Amount | Budget |
| Local Roads | 203.801000 | Professional Services | \$37,500 | \$65,000 | (\$27,500) |
| Water Resources | 244.801000 | Professional Services | \$37,500 | \$45,000 | (\$7,500) |
| Sanitary Sewer | 510.801000 | Professional Services | \$37,500 | \$45,000 | (\$7,500) |
| Water | 530.801000 | Professional Services | \$37,500 | \$45,000 | (\$7,500) |
| | | TOTAL | \$150,000 | \$200,000 | (\$50,000) |

RECOMMENDATION:

It is recommended that City Council approve an increase of the blanket purchase order for As-Needed Construction Inspection to Spalding DeDecker Associates, Inc., Rochester Hills, Michigan in the amount of \$50,000.00 for a new not-to-exceed amount of \$200,000.00 through December 31, 2015.

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

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