



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2015-0106 Version 2

TO: Mayor and City Council Members

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

DATE: April 11, 2016

SUBJECT: North Oakland County Water Authority (NOCWA) Engineering Services

REQUEST:

City Council is requested to authorize an increase to the blanket purchase order/contract for NOCWA Engineering Services to Orchard, Hiltz and McCliment (OHM), Livonia, Michigan in the amount of \$155,000.00 for a new not-to-exceed amount of \$275,000.00 for a three year period to expire on March 31, 2018.

REASON FOR PURCHASE:

As the City of Rochester Hills is the acting fiduciary for NOCWA, the City issues payments to OHM on behalf of NOCWA, and therefore requires City Council approval for the increase of the blanket.

OHM has provided valuable services for NOCWA in both the initial start-up of NOCWA as well as through a variety of issues in which NOCWA has worked through in its first year of operation. Items that have arisen in which OHM's services has been required include:

- An opportunity to renegotiate NOCWA's rates with the Great Lakes Water Authority (GLWA), which successfully lowered NOCWA's water rates for the upcoming 2016-17 rate year
- Improvements needed for Orion Booster Station (GLWA water booster station located in Lake Orion)
- Technical Assistance as-needed working through first-year issues of NOCWA operations

Upon recommendation from the NOCWA Finance Committee, the NOCWA Board voted unanimously at its March 3, 2016 meeting to increase the OHM Blanket to \$275,000. This amount is intended to cover all anticipated technical assistance needs plus a small allowance for unanticipated projects through March 31, 2018. All OHM costs are shared at 25% each among the four (4) communities NOCWA serves.

PROCESS:

The City of Rochester Hills on behalf of NOCWA issued a Request for Proposals for Engineering Services. The proposals were evaluated by a committee consisting of members of the NOCWA, which included staff from Orion Township, Oakland County Water Resource Commission on behalf of the City of Pontiac, Auburn Hills and Rochester Hills. Based on the scoring of the committee, OHM was selected as providing the best value based on their experience with NOCWA, DWSD/GLWA structure, the communities involved in NOCWA, their work program, and an understanding of NOCWA objectives, capacity, and comparable projects.

Vendor Name and Address:

Orchard, Hiltz, McCliment
34000 Plymouth Road
Livonia, Michigan 48150

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

As the City of Rochester Hills is the acting fiduciary for NOCWA, the City issues payments to OHM on behalf of NOCWA. In turn, the City then charges each of the other three (3) communities an equal share of all NOCWA engineering service costs incurred.

NOCWA engineering costs are included in the 2015 and 2016 Adopted NOCWA Budget and the 2017-18 Projected NOCWA Budget.

Fund Name	Department Account No	Account No. Description	2015-2018 Budget Amount	2015-2018 Cost	2015-2018 Remaining Budget
NOCWA Fund	762.801000	Professional Services	\$275,000	\$275,000	\$0
		3-Year TOTAL	\$275,000	\$275,000	\$0

RECOMMENDATION:

City Council is requested to authorize an increase to the blanket purchase order/contract for NOCWA Engineering Services to Orchard, Hiltz and McCliment (OHM), Livonia, Michigan in the amount of \$155,000.00 for a new not-to-exceed amount of \$275,000.00 for a three year period to expire on March 31, 2018.

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