

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: 2013-0229

TO: Mayor and City Council Members

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

DATE: June 10, 2013

SUBJECT: Water System Maintenance Truck

REQUEST:

City Council is requested to authorize a purchase order to Red Holman Buick GMC, Westland, Michigan for one (1) new Water System Maintenance Truck in the amount of \$37,727.00.

REASON FOR PURCHASE:

The DPS water and sewer division has added a second water system maintenance crew to more efficiently and effectively maintain the city's water and sewer system infrastructure. The crew's routine duties include SCADA system maintenance and repairs, PRV, valve, and water main repairs and maintenance, sewer lift station repairs and maintenance, sewer grinder pump repairs and maintenance, water service line repairs and maintenance, along with many other miscellaneous tasks

The second crew has been using a standard cargo van handed down from the water meter division to house and transport tools, equipment, parts and personnel throughout the city. The van is of insufficient size to contain all of the tools, parts and equipment that the crew routinely needs, requiring them to make frequent trips back to the DPS garage. The proposed new truck will be a van/cube type truck of sufficient size to meet the crew's needs. These personnel and operational changes in DPS, created the need for a larger vehicle than initially budgeted.

The City solicited bids for the Water System Maintenance Truck utilizing the MITN e-procurement site. Award is recommended to Red Holman Buick GMC as the lowest, responsive, responsible bidder meeting all bid requirements and specifications.

PROCESS:

Vendor Name and Address:

Red Holman Buick GMC 35100 Ford Road Westland, MI 48185

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Purchase Order

BUDGET:

Vehicle 39-164 (Pickup Truck 4wd – DPS) is due for replacement and is included in the FY 2013 Budget at \$30,380. If approved by City Council, the upgrade additional expense of \$7,347 will be transferred into the Fleet Fund (661) from the Water & Sewer Capital Fund (593) as part of the FY 2013 3rd Quarter Budget Amendment.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.981000	Capital-Vehicles	\$30,380.00	\$37,727.00	(\$7,347.00)

RECOMMENDATION:

It is recommended that City Council approves a purchase order to Red Homan Buick GMC, Westland, MI for one (1) new Water System Maintenance Truck in the amount of \$37,727.00 as the lowest, responsive, responsible bidder meeting all bid specifications and requirements.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		