



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2016-0012 Version 2

TO: Mayor and City Council Members
FROM: Allan E. Schneck, P.E., Director of Public Services
DATE: August 29, 2016
SUBJECT: Increase to Blanket Purchase Order for Water Service Repair Parts (Brass)

REQUEST:

City Council is requested to authorize an increase to the existing a one (1) year blanket purchase order for brass water service repair parts to S.L.C. Meter, Pontiac, MI in the amount of \$27,000.00 for a new total not-to-exceed amount not-to-exceed \$71,000.00 through December 31, 2016.

REASON FOR PURCHASE:

The Department of Public Services purchases miscellaneous items for emergency and normal daily operations consisting of various water tap and water main repair parts. Due to the increase in private development and subsequent requests to provide water service, the inventory has been drawn down and will not be sufficient.

The City's Purchasing Division issued an Invitation to Bid (ITB) for the purchase of water service repair parts utilizing the MITN system. Four responses were received. One bid was deemed non-responsive at the time of the bid opening, as the offer/signature page was not provided. Based on the review of the three remaining bidders award was recommended and approved to S.L.C. Meter as the lowest responsive responsible bidder at the January 25, 2016 City Council meeting.

PROCESS:

Vendor Name and Address:

S.L.C. Meter
595 Bradford
Pontiac, MI 48341

Reason for Selection:

Lowest Responsive Responsible Bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

The increase in the use of Water Service parts is due to the increased demand for water service installations from various developments occurring within the City. All expenses incurred by the City in providing for water service installations are pass-through in nature, with the offsetting revenues credited to the Water Division Fund.

If approved by City Council, a future budget amendment will be prepared increasing both the Charge for Service: Water Taps revenue account (# 530.610001) and the Supplies: Water Taps expense account (# 530.740006) so no additional funding will be required from Water Retained Earnings.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Water	530.740006	Supplies - Water Taps	\$44,000	\$71,000	(\$27,000)

RECOMMENDATION:

It is recommended that City Council authorize an increase to the one (1) year blanket purchase order for the purchase of water service repair parts to S.L.C. Meter, Pontiac, MI in the total amount not-to-exceed \$71,000.00 through December 31, 2016.

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