



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
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[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2015-0512 Version 3

**TO:** Mayor and City Council Members

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

**DATE:** March 12, 2018

**SUBJECT:** Increase to Blanket Purchase Order for Underground Utility Repairs and Related Services

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**REQUEST:**

City Council is requested to authorize an increase to the shared blanket purchase order for underground utility repairs and related services to Pamar Enterprise, Inc., New Haven, Michigan and Superior Excavating, Auburn Hills, Michigan in the amount of a \$100,000.00 for a new not-to-exceed amount of \$400,000.00 through June 1, 2018.

**REASON FOR PURCHASE:**

The City issued Request for Proposals in 2012 to provide personnel, equipment, materials and expertise to assist with immediate, prompt, and scheduled responses for repairs on sanitary sewer, water main and storm drainage systems including detention/retention basins and/or related work. The Request for Proposal called for an initial contract term of three (3) years with a two (2) year renewal option provided all terms and conditions remained the same. The renewal options were exercised and City Council awarded the contract extension to Pamar Enterprise, Inc. and Superior Excavating at their December 14, 2015 meeting.

The services provided include, but are not limited to late night repair of broken water man, scheduled repair of leaking water main, reconstruction of sanitary manhole(s), cleanout of detention basin, replacement of collapsed sanitary sewer and removal of a blockage in a storm line. The services proposed are projects that City employees would be unable to perform because of time restraints, safety factors, and lack of resources for the appropriate equipment. The purpose of selecting two contractors is to give the City the ability to choose, which contractor will best fit the needs required at the time of the utility repair or related services based on availability, resources and cost.

This contract extension was set to expire on December 31, 2017 but due to increased workloads of City staff and timing constraints, the City requested the vendors consider an extension of the contract through June 1, 2018 and hold their current contract pricing, which both have agreed to do so. This will allow the City to have the time needed to finish their current Request for Proposal for these services and have a new contract in place. In the meantime, these services are needed and this approach to extending the contract for a 5-month term was determined to be in the best interest of the City.

Much of the remaining blanket has been utilized over the 2-year contract renewal responding to urgent water & sanitary sewer repairs throughout the City. In anticipation that another issue could require urgent repair work prior to June 1 which could potentially require more funding than is available on the existing remaining blanket, the City is bringing this request forward in advance in an effort to not hold up or delay any work, and allow staff to make decisions in the field as needed for any unanticipated issues that may arise.

**PROCESS:**

**Vendor Name and Address:**

Pamar Enterprises, Inc.  
58021 Gratiot  
New Haven, MI 48309

Superior Excavating, Inc.  
PO Box 4290  
Auburn Hills, MI 48326

**Reason for Selection:**

Best Value

**Method of Purchase:**

Blanket Purchase Order/Contract

**BUDGET:**

Funding is included in the 2018 Adopted Budget, and is allocated on an annual basis for Underground Utility Repairs.

As this blanket extension and funding request will only be used if needed through June 1, 2018, DPS & Fiscal will reflect any amounts expended prior to June 1 when presenting the upcoming Underground Utility Blanket Repair blanket covering the remainder of FY 2018 and the succeeding years.

Fund Name	Department Account No	Account No. Description	2018 Budget Amount	2018 Cost	Remaining Budget
Water & Sewer Capital Fund	593.972000	Mains & Services	\$100,000	\$100,000	\$0

**RECOMMENDATION:**

It is recommended that City Council authorize an increase to the shared blanket purchase order for underground utility repairs and related services to Pamar Enterprise, Inc., New Haven, Michigan and Superior Excavating, Auburn Hills, Michigan in the amount of a \$100,000.00 for a new not-to-exceed amount of \$400,000.00 through June 1, 2018.

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