



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2018-0607

**TO:** Mayor and City Council Members  
**FROM:** Lisa Cummins, Purchasing Manager  
**DATE:** January 7, 2019  
**SUBJECT:** Maintenance, Hardware and Building Supplies

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**REQUEST:**

City Council is requested to authorize a blanket purchase order to The Home Depot, Rochester Hills, Michigan for the purchase of various maintenance, hardware, and building supplies in the not-to-exceed amount of \$80,000.00 through December 31, 2019.

**REASON FOR PURCHASE:**

The City has utilized The Home Depot as a local supplier of various supplies, including hardware and building products for several years. The Home Depot offers many benefits including, a central location for the various department users, broad coverage of needs with lower prices than other local hardware and building supply facilities; consolidation of numerous vendors into one source with 24-hour access for emergencies. The City does not warehouse maintenance, hardware, and building products, purchases can be made efficiently on an as-needed basis, saving travel and personnel resources. The Home Depot blanket purchase order has reduced expenditures with other vendors of these commodities.

The City of Rochester Hills utilizes the U.S. Communities Cooperative Purchasing Program. The contract was competitively bid by Maricopa County, Arizona, offering savings for governmental agencies across the United States. The City receives a rebate based on annual net purchases and percentage of discount for large volume purchases. While we haven't received the rebate check for our 2018 purchases, it is anticipated to be in excess of \$1,000.00. The rebate received in 1<sup>st</sup> quarter of 2018, for 2017 purchases was approximately \$1,151.00.

**PROCESS:**

**Vendor Name and Address:**

The Home Depot  
225 W. Avon  
Rochester Hills, MI 48307

**Reason for Selection:**

Best Value; Cooperative Contract

**Method of Purchase:**

Blanket Purchase Order

**BUDGET:**

Funding is included Citywide in the FY 2019 Adopted Budget.

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
Various Citywide	Various Citywide	Various.740000 / Operating Supplies	\$80,000	\$80,000	\$0

**RECOMMENDATION:**

It is recommended that City Council authorize a blanket purchase order to The Home Depot, Rochester Hills, Michigan for the purchase of various maintenance, hardware, and building supplies in the not-to-exceed amount of \$80,000.00 through December 31, 2019.

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		