



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: 2019-0032

TO: Mayor and City Council Members
FROM: Allan E. Schneck, P.E., Director Department of Public Services
DATE: January 28, 2019
SUBJECT: 21AA Natural Stone - Aggregates

REQUEST:

City Council is requested to authorize a blanket purchase order to Osburn Industries, Inc., Taylor, Michigan for 21AA Natural Stone in the amount not-to-exceed \$35,740.00 through December 31, 2020.

REASON FOR PURCHASE:

The Department of Public Services purchases 21AA Natural Stone on an as-needed basis for routine maintenance on gravel roads and shoulder grading. The water and sewer division also uses the aggregate for backfill on water main breaks and service line repairs.

Sealed bids were solicited on MITN for aggregates for the 2019 and 2020 maintenance seasons. Although eight bids were received, only five vendors bid on 21AA Natural Stone. The lowest responsive, responsible bid was from Osburn Industries, Inc.

The Department has used Osburn Industries, Inc. in the past and has been pleased with the product and service received. The award of bid is recommended to Osburn Industries, Inc.

PROCESS:

Vendor Name and Address:

Osburn Industries, Inc.
5850 Pardee
Taylor, MI 48180

Reason for Selection:

Lowest Responsive Responsible Bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funds are included as part of the FY 2019 Adopted Budget and 2020 Projected Budget.

Fund Name	Department Account No.	Account No. Description	2 Year Budget Amount	2 Year Cost	Remaining Budget
Major Roads Fund	462.781000	Materials	\$1,500	\$1,500	\$0
Local Streets Fund	464.781000	Materials	\$30,000	\$30,000	\$0
Sewer Fund	510.781000	Materials	\$2,740	\$2,740	\$0
Water Fund	530.781000	Materials	\$1,500	\$1,500	\$0
		Total	\$35,740	\$35,740	\$0

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order to Osburn Industries, Inc., Taylor, Michigan for 21AA Natural Stone in the amount not-to-exceed \$35,740.00 through December 31, 2020.

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