

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: 2010-0105

TO: Mayor and City Council Members

FROM: Roger Rousse, Director of Public Services, 248-841-2497

DATE: February 19, 2010

SUBJECT: Crack Sealant Material

REQUEST:

City Council is requested to authorize a blanket purchase order for crack sealant material to National Highway Maintenance Systems, LTD in the amount not-to-exceed \$88,000.00 through December 31, 2010.

REASON FOR PURCHASE:

Sealed bids were solicited using the MITN System. Only one (1) response was received. National Highway Maintenance Systems LTD (NHMS) has provided crack sealant material to the City over the past several years and the Department of Public Services has been very satisfied with their services. NHMS provides the City with two (2) melter applicators, which is machines used to heat the material for application to the roads, at no additional fee. NHMS, on this bid, has reduced the cost of the materials by approximately 55% compared to previous years. It is recommended that award be made to NHMS as the lowest, responsive, responsible bidder.

The Department of Public Services uses crack seal material to repair cracks in the roads and pathways. Due to the deteriorating road conditions throughout the City, the Department of Public Services is applying more crack sealant materials than in previous years to maintain the City's roads.

PROCESS:

Vendor Name and Address:

National Highway Maintenance Systems LTD PO Box 5315 Akron, OH 44334

Reason for Selection:

Lowest responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

| | Department | Account No. | Budget | | Remaining |
|-------------|------------|-------------|----------|----------|-----------|
| Fund Name | Account No | Description | Amount | Cost | Budget |
| Local Roads | 464.781000 | Materials | \$83,000 | \$83,000 | \$0 |
| Pathway | 214.781000 | Materials | \$5,000 | \$5,000 | \$0 |

RECOMMENDATION:

It is recommended that Rochester Hills City Council authorize a blanket purchase order for crack sealant material to National Highway Maintenance Systems LTD, Akron, Ohio in the amount not-to-exceed \$88,000.00 through December 31, 2010.

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