

City of Rochester Hills AGENDA SUMMARY FINANCIAL ITEMS

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www.rochesterhills.org

Legislative File No: 2006-0072

TO: Mayor and City Council Members

FROM: Roger Rousse, Department of Public Service, 841-2497

DATE: January 19, 2006

SUBJECT: Ready Mix Concrete Materials

REQUEST:

City Council is requested to authorize the issuance of a blanket purchase order to Clawson & Killins Concrete of Wixom, Michigan as the Primary Vendor and Superior Materials of Farmington Hills, Michigan as the Secondary Vendor for Ready Mix Concrete materials in the not-to-exceed amount of \$75,000.00 through December 31, 2006.

REASON FOR PURCHASE:

The Department of Public Service purchases ready mix concrete materials on an as needed basis to use for local and major road repairs. Concrete is also utilized in water main and sewer breaks when digging into roads and driveways become necessary. The concrete materials are delivered as needed for department operations.

Sealed bids were solicited using the MITN website and the lowest responsive, responsible bidder was Clawson & Killins Concrete, which the Department of Public Service selected as a primary vendor. Superior Materials was the second lowest bidder and selected as a secondary vendor. The bid included an option to renew for one additional year, which the City wishes to exercise at this time. Both Clawson & Killins and Superior Materials have agreed to hold their prices in this option year.

In previous years, the Department of Public Service has found that one vendor is unable to keep up with the overwhelming demand for ready mix concrete materials during the construction season. Both vendors will be utilized, based on their ability to supply the concrete materials to meet the delivery times required by the department for daily operations.

PROCESS:

Vendor Name and Address:

Primary Vendor: Clawson & Killins Concrete

27575 Wixom Road Wixom, MI 48374

Secondary Vendor: Superior Materials

33469 West 14 Mile Road, Suite 110

Farmington Hills, MI 48331

Reason for Selection:

Lowest responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funds for ready mix concrete materials are budgeted in various cost centers depending on the usage, along with other materials. Funds are included in the 2006 budget.

	Department	Account No.	Budget		Remaining
Fund Name	Account No	Description	Amount	Cost	Budget
Major Roads	462.781000	Material-Rd Maint	\$25,000	\$9,000.00	\$16,000
Local Roads	464.781000	Material-Rd Maint	\$165,000	\$60,000.00	\$105,000
Sewer	510.781000	Materials	\$20,000	\$3,000.00	\$17,000
Water	530.781000	Materials	\$20,000	\$3,000.00	\$17,000

RECOMMENDATION:

It is recommended that City Council authorize the issuance of a blanket purchase order to Clawson & Killins Concrete of Wixom, Michigan as the Primary Vendor and Superior Materials of Farmington Hills, as the Secondary Vendor for Ready Mix Concrete materials in the not-to-exceed amount of \$75,000.00 through December 31, 2006.

RESOLUTION

<u>NEXT AGENDA ITEM</u>

<u>RETURN TO AGENDA</u>

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

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