



**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)

---

**Legislative File No:** 2007-0794

**TO:** Mayor and City Council Members

**FROM:** Bob Srogi, Facilities Operations Manager  
Roger Rousse, Director of Public Service

**DATE:** November 19, 2007

**SUBJECT:** Natural Gas

---

**REQUEST:**

City Council authorization of a blanket purchase order to Consumers Energy, Lansing, Michigan, in the amount not-to-exceed \$175,360 for the purchase of natural gas for various City owned buildings through December 31, 2008.

**REASON FOR PURCHASE:**

The members of the Michigan Intergovernmental Trade Network (MITN) cooperative group have worked with Michigan Municipal Risk Management Authority (MMRMA) and its partnership with Kimball Power Company to obtain professional assistance in selecting a reliable and cost effective natural gas provider. Consumers Energy currently remains the best value for the purchase of natural gas for the City. Therefore, the City desires to continue the contract for natural gas with Consumers Energy until an alternate provider of better value is identified. Estimates for 2008 for natural gas consumption by City facilities is \$175,360.

The City will continue to monitor the natural gas market to provide the best value.

**PROCESS:**

**Vendor Name and Address:**

Consumers Energy  
Lansing, MI 48937-0001

**Reason for Selection:**

Best Value

**Method of Purchase:**

Blanket Purchase Order

**BUDGET:**

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities	631.926000	Gas Utility	\$175,360	\$175,360	0

**RECOMMENDATION:**

It is recommended that City Council authorize a blanket purchase order to Consumers Energy, Lansing, Michigan, in the amount not-to-exceed \$175,360 for the purchase of natural gas for various City owned buildings through December 31, 2008.

---

**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

---

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