



**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: 2007-0864

TO: Mayor and City Council Members
FROM: Roger Rouse, Director of Public Service
DATE: December 7, 2007
SUBJECT: Asphalt Paving Materials

REQUEST:

City Council is requested to authorize a blanket purchase order to Ajax Materials Corporation of Troy, Michigan for asphalt paving materials in the amount not-to-exceed \$28,500 through December 31, 2008

REASON FOR PURCHASE:

The Department of Public Service purchases asphalt paving materials on an as-needed basis to use on repairs due to water main and sewer breaks.

In 2007, sealed bids were solicited and awarded to the lowest responsive, responsible bidder, Ajax Materials Corporation. Award is recommended to Ajax Materials Corporation based on the continuation of bid pricing for 2008. Ajax has provided good past performance and pricing.

PROCESS:

Vendor Name and Address:

Ajax Materials Corporation
830 Kirts Blvd, Ste 100
Troy, MI 48007

Reason for Selection:

Lowest responsive responsible bid

Method of Purchase:

Blanket Purchase Order

BUDGET

Funds for asphalt paving materials are budgeted in various funds depending on the usage. Various other materials, not purchased on this blanket are also budgeted in these line items.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Major Rds	462.781000	Material-Rd Maint	(1) \$25,000	\$3,000	\$12,000
Local Rds	464.7810000	Material-Rd Maint	(2) \$150,000	\$20,000	\$40,000
Water	530.781000	Materials	(3) \$20,000	\$5,500	\$9,500

- (1) 2008 Major Road Budget for materials is \$25,000 - \$10,000 (concrete) = \$15,000 - \$3,000 (asphalt) = \$12,000.
- (2) 2008 Local Road Budget for Paved Road Materials is \$150,000 - \$90,000 (concrete) = \$60,000 - \$20,000 (asphalt) = \$40,000.
- (3) 2008 Water Budget for materials is \$20,000 - \$5,000 (concrete) = \$15,000 - \$5,500 (asphalt) = \$9,500.

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order to Ajax Materials Corporation of Troy, Michigan for asphalt paving materials in the amount not-to-exceed \$28,500 through December 31, 2008.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

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