



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: 2023-0380

TO: Mayor and City Council Members
FROM: Bill Fritz, P.E., Director of Public Services
DATE: August 14, 2023
SUBJECT: Increase to Blanket Purchase Order for Compressed Gases

REQUEST:

City Council is requested to authorize an increase to the blanket purchase order for compressed gases in the amount of \$10,000.00 for a new not-to-exceed amount of \$35,000.00 through January 31, 2024 to Airgas Great Lakes, Inc., Bay City, MI.

REASON FOR PURCHASE:

The City has been utilizing the State of Michigan MiDeal contract for compressed gases. Compressed gases used include acetylene, helium, oxygen and argon. A two-year blanket purchase order was issued in 2022 and was under the threshold of \$25,000.00 for City Council approval.

However, during the term, the product prices have increased and usage has also risen. These increases has resulted in additional funding needed to be added to the blanket in order to pay the charges when they are billed and will require City Council approval to increase the blanket.

PROCESS:

Vendor Name and Address:

Airgas Great Lakes, Inc.
311 Columbus Avenue
Bay City, MI 48708

Reason for Selection:

MiDeal Contract

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funding is included in the FY 2022-2023 Adopted Budgets.

Fund Name	Department Account No	Account No. Description	2-Year Budget Amount	2-Year Cost	2-Year Remaining Budget
Fire Fund	339.740000	Operating Supplies	\$7,000	\$7,000	\$0
Fire Fund	339.940000	Equipment Rental	\$28,000	\$26,000	\$2,000
Fleet Fund	661.740000	Operating Supplies	\$1,000	\$1,000	\$0
Fleet Fund	661.940000	Equipment Rental	\$1,400	\$1,000	\$400
		TOTAL	\$37,400	\$35,000	\$2,400

RECOMMENDATION:

City Council is requested to authorize an increase to the blanket purchase order for compressed gases in the amount of \$10,000.00 for a new not-to-exceed amount of \$35,000.00 through January 31, 2024 to Airgas Great Lakes, Inc., Bay City, MI.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A