



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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www.rochesterhills.org

Legislative File No: 2024-0391

TO: Mayor and City Council Members

FROM: Mike Viazanko, Director Building/Ordinance/Facilities
Matt Exley, Facilities Manager

DATE: August 26, 2024

SUBJECT: LED Light Replacement Program

REQUEST:

City Council is requested to authorize a contract/blanket purchase order for LED Light Replacement at City Hall and various City parking lots to Tech Electric Company, Macomb, MI in the amount of \$230,007.79 with a 10% project contingency in the amount of \$23,000.78 for a total not-to-exceed project amount of \$253,008.57 and further authorize the Mayor to execute a contract on behalf of the City.

REASON FOR PURCHASE:

The City issued a Request for Proposals for LED Light Replacement project at City Hall and the parking lots at Department of Public Services Garage, Oakland County Sheriff Office Substation and 52/3 District Courthouse utilizing the MITN system. Six (6) proposal responses were received and were evaluated by a committee consisting of staff from Facilities and Building departments. The committee selected Tech Electric Company as the vendor providing the best value proposal for the services based on their experience, quality of product proposed, work plan, and capacity to perform the work. Tech Electric Company has performed similar services previously in FY 2023 at the Department of Public Services Building in a professional and satisfactory manner.

There are a few key factors for the City to do these upgrades. The first is the cost savings the City will realize with a reduction in their electrical usage, similar to the savings achieved after the LED light replacement project inside the Department of Public Services Building. The second, is that the existing lighting components are becoming more difficult to find the parts to perform necessary repairs. This is mainly due to the transitioning of the industry to LED and many upgrades of lighting in commercial/industrial buildings being transitioned to LED. This is resulting in forcing manufactures to phase out certain products and making them harder to locate. Finally, with the upgrade to LED retrofit kits, the lights will last longer than the current fluorescent bulbs, and will also be much easier to replace, which will reduce time related to the management of work order requests from departments, free of additional staff time by reducing replacement time of the bulbs, and also reduce costs related to fixture purchases as the cost for LED bulbs are less expensive than the current fluorescent bulbs the City purchases.

Note that the lights at the courthouse parking lot were included in the project with the understanding that Oakland County would reimburse the City for the costs. If the County decides not to participate, the lights would be removed from the scope of work prior to executing the contract.

On January 22, 2024 the Rochester Hills City Council unanimously approved acceptance of the United States Department of Energy (“DOE”) / Energy Efficiency and Conservation Block Grant Program (“EECBG”) Grant in the amount of \$131,400 which will be utilized to reimburse approximately 52% of the total project cost.

PROCESS:

Vendor Name and Address:

Tech Electric Company
 16177 Leone Drive
 Macomb, MI 48042

Reason for Selection:

Best Value

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding is included in the FY 2024 Adopted Budget

Fund Name	Department Account No	Account No. Description	Budget	Cost	Remaining Budget
Facilities Fund	631.929000	Repairs & Maintenance	\$363,070.00	(\$253,008.57)	+\$110,061.43

RECOMMENDATION:

It is recommended that City Council authorize a contract/blanket purchase order for the LED lighting project at City Hall and various parking lots to Tech Electric Company, Macomb, MI in the amount of \$230,007.79 with a 10% project contingency in the amount of \$23,000.78 for a total not-to-exceed project amount of \$253,008.57 and further authorizes the Procurement Manager to execute a contract on behalf of the City.

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