



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: 2018-0018

TO: Mayor and City Council Members
FROM: Allan E. Schneck, P.E., Director of Public Services
DATE: February 26, 2018
SUBJECT: Ready Mix Concrete Materials

REQUEST:

City Council is requested to authorize the issuance of a blanket purchase order to Paragon Ready Mix, Utica, Michigan as primary vendor and, Superior Materials, Farmington Hills, Michigan as secondary vendor, as required for Ready Mix Concrete Materials in the amount not-to-exceed \$140,860.00 through December 31, 2019.

REASON FOR PURCHASE:

The Department of Public Services 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 it becomes necessary to dig into roads and driveways. The concrete materials are delivered as needed for department operations.

Sealed bids were solicited using the MITN website and two responses were received. Award is recommended to Paragon Ready Mix as the primary vendor and the lowest, responsive, responsible bidder meeting the specifications of the bid. Superior Materials was the second bidder and selected as a secondary vendor.

If Paragon Ready Mix is unable to supply the concrete materials in order to meet the delivery times required by the department for daily operations, concrete will be obtained from Superior Materials.

PROCESS:

Vendor Name and Address:

Primary Vendor:

Paragon Ready Mix
48000 Hixson Avenue
Utica, MI 48317

Secondary Vendor:

Superior Materials, LLC.
30701 W. 10 Mile, Suite 500
Farmington Hills, MI 48333

Reason for Selection:

Lowest responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funds are included as part of the FY 2018 and FY 2019 Adopted Budgets.

| Fund Name | Department Account No | Account No. Description | 2-Year Budget Amount | 2-Year Cost | 2-Year Remaining Budget |
|-------------|-----------------------|-------------------------|----------------------|------------------|-------------------------|
| Major Roads | 462.781000 | Materials-Rd Maint | \$21,860 | \$21,860 | \$0 |
| Local Roads | 464.781000 | Materials-Rd Maint | \$107,000 | \$107,000 | \$0 |
| Sewer | 510.781000 | Materials | \$2,000 | \$2,000 | \$0 |
| Water | 530.781000 | Materials | \$10,000 | \$10,000 | \$0 |
| | | TOTAL | \$140,860 | \$140,860 | \$0 |

RECOMMENDATION:

It is recommended that City Council authorize the issuance of a blanket purchase order to Paragon Ready Mix, Utica, Michigan as primary vendor and Superior Materials, Farmington Hills, Michigan as secondary vendor, for Ready Mix Concrete Materials in the amount not-to-exceed \$140,860.00 through December 31, 2019.

| APPROVALS: | SIGNATURE | DATE |
|--|-----------|------|
| Department Review | | |
| Department Director | | |
| Budget Content: Chief Financial Officer | | |
| Purchasing Process: Supervisor of Procurement | | |
| Mayor | | |
| Deputy Clerk | | |