



Rochester Hills Agenda Report

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File Number: 2007-0284

File Number: 2007-0284

File Type: Administration

Status: To Council

Version: 1

Reference:

Controlling Body: City Council Regular Meeting

Requester: Mayor's Office

Cost:

Introduced: 04/20/2007

File Name: Resolution of Opposition - House Bills 4587 and 4588

Final Action:

Title: Request for Adoption of Resolution of Opposition - House Bills 4587 and 4588 Requiring Local Governments to Purchase Through the State's MiDeal Program

Notes:

Code Sections:

Agenda Date:

Indexes:

Agenda Number:

Sponsors:

Enactment Date:

Attachments: Agenda Summary.pdf, House Bill 4587.pdf, House Bill 4588.pdf, Resolution.pdf

Enactment Number:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council Work Session	05/02/2007	Discussed				

Text of Legislative File 2007-0284

..Title

Request for Adoption of Resolution of Opposition - House Bills 4587 and 4588 Requiring Local Governments to Purchase Through the State's MiDeal Program

..Body

Whereas, these Bills would require the City of Rochester Hills to participate in the MiDeal Plan, a State cooperative bulk purchasing program and will have a negative affect on the procurement process of Rochester Hills and our effort to obtain the best value. Although the MiDeal cooperative program is beneficial to some local governments, these contracts do not always provide the best value in terms of cost, timeliness, delivery, quantity and quality to local communities; and

Whereas, the State currently receives a percentage of the cost of purchases on its contracts used by local governments. These Bills will increase State revenues at the expense of local government. There are multiple governmental cooperative groups and contracts, which local governments may utilize, from national to local levels. Rochester Hills' decision to utilize a cooperative contract is based on the value of the contract to the City that best meets its needs in all capacities; and

Whereas, the Bills limit competition to suppliers who may not have the ability and capacity to deliver to a large entity with statewide delivery; and

Whereas, the market in southeastern Michigan is not the same as the rest of the State. The local MITN cooperative group in southeastern Michigan obtained pricing for road salt in 2006 at approximately \$2.00 a ton less than the State contract; and

Whereas, the Bills lessen the credibility of local governments and the solicitation processes, when a local government bids a product or service, but is required to utilize a State contract; and

Whereas, the Bills add another layer of bureaucracy and administrative expense to the procurement process. Significant staff will be required in the State Treasurer's office to determine if local governments overpaid based on State prices and will add to the overall cost of the procurement and ultimately tax dollars.

Therefore, Be It Resolved, that the City of Rochester Hills is Opposed to House Bills 4587 and 4588 or any other bills that remove local control from municipalities and which do not protect the citizens of Michigan and urge Governor Granholm, State Senator Bishop, State Representative Garfield and all legislators to oppose these Bills.