



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: 2019-0307

TO: Mayor and City Council Members

FROM: Allan Schneck, P.E., Director Department of Public Services

DATE: July 15, 2019

SUBJECT: Purchase Authorization for One (1) Water & Sewer Service Truck

REQUEST:

City Council is requested to authorize the purchase of one (1) Water & Sewer Service Truck from LDV, Inc., Burlington, WI in the amount of \$246,949.00.

REASON FOR PURCHASE:

The City issued a Request for Proposals for the purchase of a water and sewer service truck utilizing the MITN system. The RFP were distributed to more than fifty (50) potential vendors with only one (1) proposal response received. In order to purchase a truck to meet the needs of the water and sewer division it requires a custom build, one that is considered to be in the specialty area as far as vehicle builds go. There is specialty interior cabinetry and tool boxes that are required to accommodate the needs of this division to perform services in the field. Based on these complexities the City determined a Request for Proposals process was the best approach to purchase this specialized piece of equipment, it allowed the flexibility to generally outline sizing needs for the cabinetry, tool boxes, etc. and allow the City to seek recommendations from vendors and evaluate the proposed vehicle based on its functionality, comparable projects the vendors has done, vendor experience and qualifications.

This solicitation was not one that was approached lightly. The City initially issued a RFP for this truck in February 2018 and received no responses. The City felt it was in their best interest to conduct some additional research of what is available in the industry as it relates to this equipment, as well as review their specifications. Based on the research conducted, the RFP was revised and subsequently reposted in May of 2019 and is the recommendation that is being brought forward for approval. Having received just the one (1) proposal response, the City did have conversation with the vendor that currently is contracted to build the City's dump trucks, as to why they were not able to submit a proposal response. The vendor informed Procurement that they were unable to submit a proposal response based on their current workload and the complexity of the vehicle build were hesitant that they had the capacity to accomplish the project successfully.

The life expectancy of this truck is approximately fifteen (15) years. The City wants to ensure that the firm they contract with are capable of building a quality vehicle that will be built to withstand the operations it will endure over the next several years. Having received only the one (1) proposal response, the purchasing division as part of its review process contacted three (3) references. Each reference took the time to answer each of our questions in detail and stated that their customized vehicle build with LDV, Inc., was a very good experience. The vehicle's craftsmanship was highly rated and communications with the vendor's staff was excellent. LDV, Inc., specialized in custom specialty vehicles including police and fire command vehicles and water utility mobile equipment trucks.

The City is satisfied with the work plan approach, the qualifications and experience of the vendor, the proposed design of the vehicle based on plan detail provided by the vendor, as well as the overall cost proposal and is recommending that award of the water and sewer service truck be made to LDV, Inc., as the best value to the City.

The water & sewer truck is a vital tool that is used by the DPS as a mobile workshop to maintain and repair the city's water and sewer infrastructure including: water SCADA and telemetry systems, booster pumping stations, valves, valve controls and water mains, sewer lift station pumps, valves and associated controls, grinder pumps, forced and gravity flow mains, and other related miscellaneous equipment.

The new truck will replace 39-42, a 2003 international 4300 equipped similarly. 39-42 has 8,000 engine hours on the meter, is becoming unreliable, and is requiring increasing unscheduled repair frequency. The interior cabinetry and tool boxes are worn out, aluminum body panels are corroded badly, and the rear body access step area has rusted through.



PROCESS:

Vendor Name and Address:

LDV, Inc.
180 Industrial Drive
Burlington, WI 53105

Reason for Selection:

Best Value

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2019 Adopted Budget. If approved by City Council, a 2nd quarter Budget Amendment will be brought forward to move funding from capitalized equipment in 661.977000 that was purchased under budget. No additional funding from Retained Earnings is required.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.977000	Equipment Capitalized	\$239,600	\$246,949	(\$7,349)

RECOMMENDATION:

City Council is requested to authorize the purchase of one (1) Water & Sewer Service Truck from LDV, Inc., Burlington, WI in the amount of \$246,949.00.

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

Contract Reviewed by City Attorney Yes N/A