



**City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
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[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No: 2007-0865 Version 2**

**TO:** Mayor and City Council Members  
**FROM:** Roger Rousse, Director of Public Service  
**DATE:** February 14, 2008  
**SUBJECT:** 5G Slag

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**REQUEST:**

City Council is requested to authorize the increase of the blanket purchase order to Edward C. Levy Co, Detroit, Michigan for 5G Slag in the amount of \$6,500.00 for a total not-to-exceed amount of \$17,000 through December 31, 2008.

**REASON FOR PURCHASE:**

The Department of Public Service purchases 5G Slag on an as-needed basis for routine road and ditching/shoulder repair and maintenance.

In 2007, sealed bids were solicited. The lowest responsive, responsible bid for 5G Slag was Edward C. Levy Co., Detroit, Michigan. The continuation of the contract is recommended through 2008, based on prices bid. Edward C. Levy Co. has been a vendor for the City in the past and provided good product and services.

The increase in the blanket purchase order is required due to this year's winter. The large snow accumulations and extreme temperature changes are causing the ground to freeze, then thaw and refreeze, which have deteriorated the roads and the shoulders & ditches.

**PROCESS:**

**Vendor Name and Address:**

Edward C. Levy Co.  
8800 Dix Avenue  
Detroit, MI 48209

**Reason for Selection:**

Lowest responsive responsible bid

**Method of Purchase:**

Blanket Purchase Order

**BUDGET:**

Funds for 5G Slag are budgeted in various funds depending on the usage. Various other materials, not purchased on this blanket are also budgeted in these line items.

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
Water	530.781000	Materials	(1) \$20,000	\$2,000	\$3,000
Sewer	510.781000	Materials	(2) \$10,000	\$1,000	\$0
Major Roads	462.781000	Material-Rd Maint	(3) \$25,000	\$3,500	\$4,500

- (1) 2008 Water Budget for Materials is \$20,000 - \$5,000 (concrete) = \$15,000 - \$5,500 (asphalt) = \$9,500 - \$3,500 (slag) = \$6,000 - \$1,000 (22A) = \$5,000 - \$2,000 (5G) = \$3,000
- (2) 2008 Sewer budget for Materials is \$10,000 - \$1,000 (concrete) = \$9,000 - \$1,000 (slag) = \$8,000 - \$7,000 (22A) = \$1,000 (5G) = \$0.
- (3) 2008 Major Road Budget for Materials is \$25,000 - \$10,000 (concrete) = \$15,000 - \$3,000 (asphalt) = \$12,000 - \$1,000 (slag) = \$11,000 - \$3,000 (22A) = \$8,000 - \$3,500 (5G) = \$4,500.

**RECOMMENDATION:**

It is recommended that City Council authorize the increase of the blanket purchase order to Edward C. Levy Co, Detroit, Michigan for 5G Slag in the amount of \$6,500.00 for a total not-to-exceed amount of \$17,000 through December 31, 2008.

**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Budget Content: Finance Director</b>		
<b>Purchasing Process: Supervisor of Procurement</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		