



**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: 2005-0235 Version 5

TO: Mayor and City Council Members
FROM: Roger Rouse, Director of Public Service, 841-2497
DATE: June 27, 2008
SUBJECT: Radio Read System
City File No. E05-002

REQUEST:

City Council is requested to authorize the increase of a blanket purchase order to Etna Supply Company, Grand Rapids, Michigan for AMR Radio Read System in the amount of \$204,630.00 for a new total of \$2,978,050.00 through June 1, 2010.

REASON FOR PURCHASE:

On May 4, 2005 City Council approved a blanket purchase order for AMR Radio Read System in the amount of \$2,773,420.00 to Etna Supply Company. Since that time, new water services have increased the number of AMR Radio Read units to be installed into the system by approximately 1,500 units. Once the initial capital project is complete, the AMR Radio Read units will be funded through the water and sewer billing fees.

PROCESS:

Vendor Name and Address:

Etna Supply Company
529 32nd Street, S.E.
Grand Rapids, MI 49548

Reason for Selection:

Etna has a history of superior service, their product provides redundancy, has a low battery warning system, each unit can read up to 16 meters, lower installation costs, 20 year warranty on units and batter (10 year full, 10 year pro-rated), licensed FCC frequency, has the ability to read all existing meter equipment, no shipping costs, loaner equipment availability, preferred transmission type and power level, provides reading segmentation and has migrate able system architecture.

Method of Purchase:

Quality Based Selection

BUDGET:

A budget amendment was approved in second quarter 2008 to cover the remaining units to be installed as the initial capital project in the amount of \$204,630, which brought the total 2008 budget amount to \$623,880.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Water & Sewer Capital Fund	593.977000	Equipment-Capitalized	\$623,880	\$204,630 \$419,250*	-0-

* Current purchase order amount.

RECOMMENDATION:

It is recommended that City Council authorize an increase to the blanket purchase order to Etna Supply Company, Grand Rapids, Michigan for AMR Radio Read System in the amount of \$204,630.00, for a new not-to-exceed amount of \$2,978,050.00 through June 1, 2010.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

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