



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2022-0001 Version 2

TO: Mayor and City Council Members

FROM: Bill Fritz, PE, Director Department of Public Services

DATE: March 20, 2023

SUBJECT: Increase to Purchase Order for Two (2) Tandem Axle Dump Body Trucks and Chassis

REQUEST:

City Council is requested to authorize an increase to the purchase of two (2) Tandem Axle Dump Truck Chassis in the amount of \$8,156.00 for a new purchase amount of \$214,734.00 to Wolverine Freightliner-Eastside, Inc., Mount Clemens, Michigan. The dump bodies pricing remains unchanged. The combined purchase of the two (2) truck chassis and two (2) tandem axle dump body trucks will provide two (2) complete tandem axle dump body trucks equipped with various snow and ice control systems for a new total not-to-exceed purchase price of \$491,448.00.

REASON FOR PURCHASE:

The City received purchase authorization for two (2) complete dump trucks at their January 10, 2022 meeting. During the build process, Daimler Chrysler announced surcharges that were to be applied to all suppliers' vehicle orders. The City was made aware of the price increase and was provided the appropriate documentation to verify both the surcharge and that no additional profit was being added to any increases. These surcharges are becoming the standard in the industry and difficult, to near impossible to avoid. This is why at this time, we are bringing it forward to City Council to seek their approval for the increase. No additional increases for this vehicle are required.

PROCESS:

Vendor Name and Address:

Wolverine Freightliner-Eastside
107 South Groesbeck Hwy
Mt. Clemens, MI 48043

Truck and Trailer Specialties

6726 Hanna Lake
Dutton, MI 49316

Reason for Selection:

Best Value

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2023 Adopted Budget.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.981000	Vehicles - 39-294	\$361,290	\$245,724	\$115,566
Fleet	661.981000	Vehicles - 39-295	\$361,290	\$245,724	\$115,566
		Total	\$722,580	\$491,448	\$231,132

RECOMMENDATION:

It is recommended that City Council authorize an increase to the purchase of two (2) Tandem Axle Dump Truck Chassis in the amount of \$8,156.00 for a new purchase amount of \$214,734.00 to Wolverine Freightliner-Eastside, Inc., Mount Clemens, Michigan. The dump bodies pricing remains unchanged. The combined purchase of the two (2) truck chassis and two (2) tandem axle dump body trucks will provide two (2) complete tandem axle dump body trucks equipped with various snow and ice control systems for a new total not-to-exceed purchase price of \$491,448.00.

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

