



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2014-0032

TO: Mayor and City Council Members
FROM: Allan E. Schneck, P.E., Director of Public Services
DATE: February 10, 2014
SUBJECT: Purchase Authorization for Water Service Repair Parts (Brass)

REQUEST:

City Council is requested to authorize a one (1) year blanket purchase order for water service repair parts to S.L.C. Meter Service, Davisburg, MI in the total amount not-to-exceed \$44,000.00 through December 31, 2014.

REASON FOR PURCHASE:

The Department of Public Services purchases miscellaneous items for emergency and normal daily operations consisting of various water tap and water main repair parts. Due to a new federal law (ANSI/NSF Standard 61 Annex F and G) that all water equipment is produced lead free by 2014, the City issued a Request for Proposals (RFP) for Water Service & Repair Parts utilizing the MITN website. All proposed water service and repair parts had to be NSF 61 Certified. SLC has been determined to be the lowest responsive, responsible bidder.

PROCESS:

Vendor Name and Address:

S.L.C. Meter Service, Inc.
10375 Dixie Highway
Davisburg, MI 48350

Reason for Selection:

Lowest Responsive Responsible Bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

Due to a new federal law (ANSI/NSF Standard 61 Annex F and G) that all water related service products be produced lead-free by 2014, the unit prices of the several products have increased. Based on past usage, future needs, and an increase in unit prices, it appears that the 2014 budgeted amount may fall short.

If approved by City Council, Fiscal and DPS will together monitor the 530-Water Division budget in order to identify adequate savings in the cost center's budget to offset this additional expense, so as to not increase the adopted bottom line department budget. It is anticipated that a 2nd Quarter Budget Adjustment will be presented.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Water	530.740006	Supplies - Water Taps	\$38,000.00	\$44,000.00	(\$6,000.00)

RECOMMENDATION:

It is recommended that City Council authorize the issuance of a one (1) year blanket purchase order for the purchase of water service repair parts to S.L.C. Meter Service, Davisburg, MI in the total amount not-to-exceed \$44,000.00 through December 31, 2014.

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