



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: 2024-0476

TO: Mayor and City Council Members

FROM: Bill Fritz, P.E., Director Department of Public Services

DATE: October 21, 2024

SUBJECT: Water System Large Valve Condition Assessment
Drinking Water Asset Management (DWAM) Grant, City File #E21-020

REQUEST:

City Council is requested to authorize a contract/blanket purchase order for services related to the assessment of the City's water distribution system large valve release condition to M.E. Simpson Co., Inc., Valparaiso, Indiana in the amount of \$98,435.00 with a 10% project contingency in the amount of \$9,843.50 for a total not-to-exceed project amount of \$108,278.50 and further authorized the Procurement Manager to execute an agreement on behalf of the City.

REASON FOR PURCHASE:

The City was previously awarded a \$707,000 Drinking Water Asset Management (DWAM) grant from the Michigan Department of Environment, Great Lakes and Energy (EGLE). The Water System Large Valve Condition Assessment is a component of the grant.

The City's Purchasing Division in coordination with the Department of Public Services Engineering division issued a two-step sealed bid process for the City's Water System Large Valve Condition Assessment Project. The qualified vendor pool for these types of services is very limited in this area. Based on the complexity of the services needed, the City wanted to ensure the selection of a qualified and experienced vendor who has performed the type of services needed before and as part of the first step in the bid process requested that contractors submit their technical approach for how they would inspect the City's large water distribution valves and build an asset inventory with condition assessment information. The City only received one (1) response from M.E. Simpson and a team consisting of City Staff, and the City's professional engineering firm, HRC, reviewed the response and proposed technical approach from M.E. Simpson and determined they had the qualifications, experience and technical approach to perform he requested services. As part of the step 2 process of the bid, pricing was requested from M.E. Simpson, and has been determined to be fair and reasonable based on the services required.

Purchasing conducted additional research to locate additional vendors who perform these types of services, but found that M.E. Simpson Co., Inc., is typically the vendor responding to these types of services requests and that the vendors available in this industry is very limited. Based on these factors, the City recommends award of the project to M.E. Simpson Co., Inc., as the lowest, responsive, responsible bidder.

PROCESS:

Vendor Name and Address:

M.E. Simpson Co., Inc.
3406 Enterprise Avenue
Valparaiso, IN 46383

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding is included in the FY 2024 Adopted Budget

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
W/S Capital	593.801000	DWAM Grant – Professional Services	\$108,300.00	\$108,278.50	\$21.50

RECOMMENDATION:

It is recommended that City Council authorize a contract/blanket purchase order for services related to the assessment of the City’s water distribution system large valve release condition to M.E. Simpson Co., Inc., Valparaiso, Indiana in the amount of \$98,435.00 with a 10% project contingency in the amount of \$9,843.50 for a total not-to-exceed project amount of \$108,278.50 and further authorized the Procurement Manager to execute an agreement on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A