



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2026-0044

TO: Mayor and City Council Members

FROM: Tracey Balint, P.E., Interim Director, Department of Public Services

DATE: February 23, 2026

SUBJECT: Fuel Dispenser Repairs

REQUEST:

City Council is requested to authorize a project budget in the amount of \$75,000 for the repairs to the fuel dispensers located at the Department of Public Services Garage to Oscar W. Larson Co., Clarkston, Michigan.

REASON FOR PURCHASE:

The City currently contracts with Oscar W. Larson Company for specialized inspections and maintenance of our fueling infrastructure. Oscar Larson was selected and awarded an agreement through a solicitation process to provide Operator Training and Fuel Tank Inspection and Repair Services as the lowest, responsive, responsible bidder. During a recent state-mandated inspection, several system failures were identified. To maintain compliance with state regulations, these repairs must be addressed immediately.

While Oscar W. Larson provided an initial estimate of \$53,343.91 (per the attached estimate), the City is requesting a slightly higher project budget to ensure work is completed without interruption. This approach is necessary because: (1) additional issues may be uncovered once technicians access internal components that are currently inaccessible, (2) a pre-approved budget allows repairs to proceed immediately upon discovery of secondary issues, avoiding the delays of a secondary approval process, (3) extended downtime would force City vehicles to fuel at commercial gas stations. We would like to avoid needing to fuel at commercial gas stations as it presents several challenges, including: fueling at retail pump rates exceeds our bulk contract pricing, many commercial stations cannot safely accommodate the City's oversized equipment and heavy-duty vehicles, and travel time to and from off-site stations reduces staff productivity.

Approval of a project budget ensures the City remains in state compliance while protecting our infrastructure and maintaining the operational readiness of the City's fleet. The initial purchase order issued to Oscar Larson will be in the amount of the attached estimate, and will only be increased upon approval and agreement by the City to perform any additional work that may be need to be done to be in compliance with the State Inspector. If no additional work is found, then we will not need to use any additional funding above the initial estimate.

PROCESS:

Vendor Name and Address:

Oscar W. Larson Company
10100 Dixie Highway
Clarkston, MI 48348

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2026 Adopted Budget

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.938000	Maintenance-Vehicle	\$75,000	\$75,000	\$0

RECOMMENDATION:

It is recommended that City Council authorize a project budget in the amount of \$75,000 for the repairs to the fuel dispensers located at the Department of Public Services Garage to Oscar W. Larson Co., Clarkston, Michigan.

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