



## CITY COUNCIL ACTION REPORT

September 9, 2009

TO: John Szerlag, City Manager

FROM: Mark F. Miller, Acting Assistant City Manager/ Economic Development Services  
Susan A. Leirstein, Purchasing Director  
Timothy L. Richnak, Public Works Director

SUBJECT: Sole Source – East Jordan Iron Works – Complete Hydrant and Valve Repair Parts

### Background

- On September 10, 2007, Troy City Council approved a contract with East Jordan Iron Works for East Jordan complete hydrants; as well as hydrant and valve repair parts at discounts off list prices (Council Resolution #2007-09-269-E7).
- Discounts tend to fluctuate with list price changes.
- The City of Troy standardized all fire hydrants in the City to those manufactured by East Jordan Iron Works many years ago.
- Standardization has alleviated many problems with employee training, inventory and maintenance issues.
- By purchasing directly from the manufacturer the City is receiving a greater discount than a distributor.
- East Jordan Iron Works has agreed to provide the needed hydrants and repair parts at list prices, with various discount structures currently established as follows:

Discount %	Hydrants:	<u>49%</u>
	Valves:	<u>47%</u>
	Cost for 5BR250 complete hydrant:	<u>\$1248.03</u>

### Financial Considerations

- Funds are available in the Water Division Operating Budget

### Legal Considerations

- Formal bidding procedures are waived, as no benefit would be derived from soliciting formal bids.

### Recommendation

- Since the City has standardized on East Jordan Iron Works hydrants and valves, City management recommends an ongoing contract be established with East Jordan Iron Works to provide the needed hydrants and repair parts at list prices, with various discounts structures as listed above.



August 14, 2009

ATTN: Steve Terry  
East Jordan Iron Works  
13001 Northend  
Oak Park, MI 48237  
FAX: (248) 693-4542

Dear Steve:

The City of Troy entered into contract #20700277-OB with East Jordan Iron Works to provide one-year requirements of complete hydrants, valve and hydrant repair parts, which currently expires September 30, 2009. The City is interested to know what the current pricing structure will be to enter into a new contract for one year.

Please fax this letter back to Deanna Theobald at the DPW. The fax number is (248) 524-3520. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

If you have any questions please call me at (248) 524-3501

X   
\_\_\_\_\_  
**Stephen E. Terry**  
Company Representative

**% Discount – Hydrants:** 49%  
**Valves:** 47%

**Cost for complete hydrant – 5BR250 \$ 1248.03**

Thank you,  
Deanna Theobald  
Department of Public Works, City of Troy

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** an agreement with Atlas Blue Sky, Inc. to transfer ownership of 2007 SDD and SDM licensed business located at 36949 Dequindre, Troy, MI 48084, Oakland County, from MJMN, Inc., and the Mayor and City Clerk are hereby **AUTHORIZED** to execute the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

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**E-6 Temporary Waiver of Parking Restrictions – Congregation Shir Tikvah**

Resolution #2007-09-269-E-6

RESOLVED, That Troy City Council hereby **WAIVES** the no parking restrictions on the east side of Northfield Parkway from the parking lot entrance to Congregation Shir Tikvah to the entrance to Boulan Park, on Wednesday, September 12, 2007, 7:00 PM – 11:00 PM, Thursday, September 13, 2007, 9:00 AM – 5:00 PM, Friday, September 21, 2007, 7:00 PM – 11:00 PM, and Saturday, September 22, 2007, 9:00 AM – 9:00 PM.

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**E-7 Sole Source – East Jordan Iron Works – Complete Hydrant and Valve Repair Parts**

Resolution #2007-09-269-E-7

WHEREAS, East Jordan Iron Works, the manufacturer, has agreed to provide East Jordan complete hydrants, as well as hydrant and valve repair parts directly to the City of Troy at discounts greater than those of distributors;

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** a contract to provide East Jordan complete hydrants, and valve and hydrant repair parts with East Jordan Iron Works at discounts of 44.5% and 49% respectively.

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**E-8 Acceptance of Regrading and Temporary Construction Permit, John R Road Improvements, Square Lake Road to South Boulevard, Project No. 02.204.5 Parcel #50 – Sidwell #88-20-02-228-028 – Glenda M. McDowell**

Resolution #2007-09-269-E-8

RESOLVED, That Troy City Council hereby **ACCEPTS** the Regrading and Temporary Construction Permit in the amount of \$500.00 from Glenda M. McDowell, owner of property having Sidwell #88-20-02-228-028; and

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED** to record the Regrading and Temporary Construction Permit with the Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.



## CITY COUNCIL ACTION REPORT

August 13, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services  
Susan A. Leirstein, Purchasing Director  
Timothy L. Richnak, Public Works Director

SUBJECT: Sole Source – East Jordan Iron Works – Complete Hydrant and Valve Repair Parts

### Background

- On September 11, 2006, Troy City Council approved a contract with East Jordan Iron Works for East Jordan complete hydrants; as well as hydrant and valve repair parts at a discount off list prices (Council Resolution #2006-09-356-E-10).
- The City of Troy standardized all fire hydrants in the city to those manufactured by East Jordan Iron Works many years ago.
- Standardization has alleviated many problems with employee training, inventory and maintenance issues.
- By purchasing directly from the manufacturer, the City is receiving a greater discount than a distributor.
- East Jordan Iron Works has agreed to provide the needed hydrants and repair parts at list prices, with various discount structures currently established as follows:

Discount %	Hydrants: <u>44.5%</u>
	Valves: <u>49%</u>
	Cost for 5BR250 complete hydrant: <u>\$996.23</u>

### Financial Considerations

- Funds are available in the Water Division Operating Budget

### Legal Considerations

- Formal bidding procedures are waived, as no benefit would be derived from soliciting formal bids.

### Policy Considerations

- Minimize the cost and increase the efficiency and effectiveness of City Government. (Goal II)

### Options

- Since the City has standardized on East Jordan hydrants and valves, City management recommends an ongoing contract be established with East Jordan Iron Works to provide the needed hydrants and repair parts at list prices, with various discounts structures as listed above.



500 West Big Beaver  
 Troy, Michigan 48064  
 Fax: (248) 524-0851  
 www.ci.troy.mi.us

August 7, 2007

Area code (248)

Assessing  
 524-3311

Bldg. Inspections  
 524-3344

Bldg. Maintenance  
 524-3368

City Clerk  
 524-3316

City Manager  
 524-3330

Community Affairs  
 524-1147

Engineering  
 524-3383

Finance  
 524-3411

Fire-Administration  
 524-3419

Human Resources  
 524-3339

Information Services  
 619-7279

Law  
 524-3320

Library  
 524-3545

Parks & Recreation  
 524-3484

Planning  
 524-3364

Police-Administration  
 524-3443

Public Works  
 524-3370

Purchasing  
 524-3338

Real Estate & Development  
 524-3498

Treasurer  
 524-3334

General Information  
 524-3300

East Jordan Iron Works  
 13001 Northend  
 Oak Park, MI 48237

The City of Troy entered into contract #20600387-OB with East Jordan Iron Works to provide one year requirements of complete hydrants, and valve and hydrant repair parts, which is due to expire October 1, 2007, at discounts of 46% and 49% off list prices respectively.

Please fax this letter back indicating if East Jordan Iron Works wishes to continue with the above contract and indicate the term and discount structure below. Our fax number is 248-524-3520.

Thank you,  
 Emily Frontera  
 Administrative Aide  
 Department of Public Works

X   
 Stephen E Terry  
 Company Representative

East Jordan DOES wish to enter into the above contract.

Term of contract 10/1/2007 to 10/01/2008  
 % Discount – Hydrants: 44.5%  
 Valves: 49%

Cost for complete hydrant – 6BR \$ NOT AVAILABLE  
 5BR250 \$ 996.23

X \_\_\_\_\_ East Jordan does not wish to enter into the above contract.  
 Stephen E Terry  
 Company Representative

Date Aug. 7, 2007



September 8, 2008

ATTN: Steve Terry  
East Jordan Iron Works  
13001 Northend  
Oak Park, MI 48237  
FAX: (248) 693-4542

Dear Steve:

The City of Troy entered into contract #20700277-OB with East Jordan Iron Works to provide one-year requirements of complete hydrants, valve and hydrant repair parts, which currently expires October 1, 2008. The City is interested to know what the current pricing structure will be to enter into a new contract for one year.

Please fax this letter back to Deanna Theobald at the DPW. The fax number is (248) 524-3520. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

If you have any questions please call me at (248) 524-3501

X   
Stephen E. Terry  
Company Representative

**% Discount – Hydrants:** 44.5 % from Hydrant List - \$ 2166.95  
**Valves:** 49 % from Valve List - (see below for LIST cost per VALVE size)

**Cost for complete hydrant – 5BR250 \$ 1202.65**

Thank you,  
Deanna Theobald  
Department of Public Works, City of Troy

**LIST PRICING**

12" MJ RW VALVE OPEN LEFT	\$ 2119.21
10" MJ RW VALVE OPEN LEFT	\$ 1718.30
8" MJ RW VALVE OPEN LEFT	\$ 1101.89
6" MJ RW VALVE OPEN LEFT	\$ 684.35
4" MJ RW VALVE OPEN LEFT	\$ 543.53
3" MJ RW VALVE OPEN LEFT	\$ 489.20

cell phone  
(313) 215-5640  
sterry@ejlw.com