

COUNCIL COMMUNICATION

From: The City Manager

Subject: Purchase Order Increase

Manager's Recommendation:

I recommend increasing Purchase Order No. 34123 issued to AirGas Great Lakes to \$4,000.00 in order have an adequate supply of propane gas through June 30, 2008.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35 – 14.44, of the Saginaw Code of Ordinances.

Funds for this material are available in the Municipal Streets Routine Maintenance Account Nos. 202-4651-841.73-30 (\$1,050.00) and 203-4651-841.73-30 (\$1,050.00).

Justification:

The City's Streets Division has a \$1,900.00 blanket purchase order with AirGas Great Lakes to supply propane gas. Due to increased usage and continual increases in propane prices, the dollar amount of this purchase order is nearly depleted. The propane is used to heat asphalt patching material and joint sealant material needed to maintain the City streets. Based on current usage, it is estimated that we will use an additional \$2,100.00 worth of propane gas through fiscal year 2008.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.