City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2026-0454

TO: Mayor and City Council Members

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

DATE: November 9, 2026

SUBJECT: SCADA Maintenance Agreement, City File #E23-008

REQUEST:

City Council is requested to authorize a contract/blanket purchase order for the maintenance agreement for service and support of the City's SCADA system to ICS Integration Services, LLC., Auburn Hills, Michigan in the amount not-to-exceed $550,000.00 for a five (5) year term through November 30, 2031 and further authorize the Procurement Manager to execute an agreement on behalf of the City.

City Council is requested to waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 5-year contract.

REASON FOR PURCHASE:

The City's Supervisory Control and Data Acquisition (SCADA) system is essential infrastructure used by the Department of Public Services (DPS) to monitor and operate the daily functions of the City's water distribution and wastewater collection systems. The SCADA system ensures constant system pressure, automated pumping control, alarm notifications for critical facility failures, and centralized monitoring across 38 sites throughout the City.

At their April 8, 2024 meeting (File No. 2024-0167), City Council approved Phase I – Pre-Construction Design-Build Services with ICS Integration Services, LLC., to assess the legacy system and establish a comprehensive design and modernization plan for a new system. Subsequently, on March 17, 2025 (File No. 2025-0105), City Council awarded Phase II – Implementation, Construction, and Commissioning to ICS Integration Services, LLC. Phase II implementation is now complete, and the upgraded SCADA network, including central software, RTU/PLC panels, and enhanced communication infrastructure have been thoroughly tested, commissioned, and accepted by the City.

To protect this critical capital investment and ensure uninterrupted operational reliability, the City requires ongoing technical support, proactive system health monitoring, software licensing, and preventative maintenance program. Entering into this agreement with ICS Integration Services, LLC., is in the City's best interest to maintain continuity with the integration firm that possesses direct institutional knowledge of the City's specific control architecture, hardware, and communication pathways.

Services provided under this agreement are structured to provide comprehensive coverage under the following model:

- Fixed Annual Maintenance and Software Licensing Fee – Covers all proactive monthly remote reviews, quarterly deep-dive system health audits, annual configuration reviews, and routine

backups. It also bundles required recurring software support and version upgrades for the SCADA platform and server environments.

- Time and Materials for Technical and Emergency Support – Provides as-needed technical trouble shooting, PLC/HMI field diagnostics, replacement part installations, and guaranteed emergency response coverage.

The total requested five-year contract amount of $550,000.00 is budgeted across both service models. The fixed annual maintenance and software licensing fees total $340,500.00 over the five-year term as outlined below:

Fixed Annual Maintenance and Software Licensing Fee	
Year 1	$62,500
Year 2	$65,000
Year 3	$68,000
Year 4	$71,000
Year 5	$74,000
Total Fixed Costs:	$340,500

The remaining balance of $209,500.00 (approximately $41,900.00 annually) is allocated as a not-to-exceed allowance for variable Time-and-Materials support that may be required during the contract term. Funds will only be drawn against this allowance as actual service needs arise; any unused funds will remain unspent on the blanket purchase order.

This agreement is strictly limited to routine maintenance, preventive health checks, software licensing, and operational technical support.

PROCESS:

Vendor Name and Address:
ICS Integration Services, LLC.
1091 Centre Road, Suite 190
Auburn Hills, MI 48326

Reason for Selection:
Best Value

Method of Purchase:
Blanket Purchase Order/Contract

BUDGET:
Funding is included in the FY 2026-2027 Adopted Budget, as well as the 2028-2031 Projected Budgets.

Fund Name	Department Account No	Account No. Description	5-Year Budget Amount	5-Year Cost	Remaining Budget
Sanitary Sewer Division	510.801000	Professional Services – Sewer	$300,000	$275,000	+$25,000
Water Division	530.801000	Professional Services – Water	$300,000	$275,000	+$25,000
		TOTAL	$600,000	$550,000	+$50,000

RECOMMENDATION:

It is recommended that authorize a contract/blanket purchase order for the maintenance agreement for service and support of the City's SCADA system to ICS Integration Services, LLC., Auburn Hills, Michigan in the amount not-to-exceed $550,000.00 for a five (5) year term through November 30, 2031 and further authorize the Procurement Manager to execute an agreement on behalf of the City.

It is further requested, that City Council waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 5-year contract.

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