



Water Board Building  
735 Randolph Street  
Detroit, MI 48226

Board of Water Commissioners  
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detroitmi.gov/dwsd

## Agenda of December 14, 2016

### Item No. 16-0196

### Approval of Emergency Manual Po #264

Amount: \$222,047.75

**TO:** The Honorable  
Board of Water Commissioners  
City of Detroit, Michigan

**FROM:** Gary Brown, Director  
Water and Sewerage Department

**RE:** **Approval of DWSD Manual Purchase Order No. 264, for 3" and 4" Magnetic Water Meters**

### MOTION

Upon recommendation of Marcus Hudson, Chief Finance Officer, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve of Manual Purchase Order No. 264 for 3" and 4" with Weiss-Hale Joint Venture, at a cost not-to-exceed \$222,047.75** and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

### JUSTIFICATION

This purchase order was for 3" and 4" Magnetic Water Meters that were desperately needed. Currently, have a contract that has been in effect for the last 5 years for the purchase of this requirement. When we attempt to renew the contract, Fusion Cloud had a systems error which prevented this order to be released against the contract. To date, this issue still has not been resolved.

### BACKGROUND

DWSD entered into a two year contract with Motor City Pipe & Supply Company for \$119,799.50 on December 1, 2013 to furnish lead-free brass fittings of various sizes and types. At inception of the contract, \$30,000 of outstanding invoices from previous months were charged against the contract. In 2014, the federal government mandated that brass portable water parts must be lead-free. The amount allotted for this contract was underestimated as it did not capture all the fittings necessary to meet the federal requirements. As a result, the available funds were severely depleted and required a contract increase.

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Re: Purchase Order No. 264-Magnetic Water Meters

This contract renewal is the last of 2-1year options authorized under the terms of the contract. Based on the average monthly spend, the estimated yearly spend to fulfill the needs of our services repair crews to DWSD customers, \$536,712.48 will need to be added to the current contract. The total amount expended year to date on Blanket Purchase Agreement #2886346 is \$536,712.48. These items are critical to installing and repairing water services.

**PROCUREMENT METHOD**

DWSD has a contract with Weiss-Hale Joint Venture for this requirement