



Detroit Water and Sewerage Department

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Legislation Text

File #: 2024-99, Version: 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve Amendment No. 4 to DWSD Contract 6001548 with the Detroit Building Authority (DBA) for the continuation of construction services and support of repairs to DWSD buildings and facilities; by adding \$9,000,000.00, for an amended total contract amount not-to-exceed \$23,000,000.00 and no change to the term ending 6/30/26.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of June 18, 2024

Item No. 2024-99

Proposed Amendment No. 4

Contract No.: 6001548

Contractor: Detroit Building Authority, 1301 Third Street, Ste. 328, Detroit, MI 48226

Current Contract Amount: \$14,000,000.00

Proposed Amendment No. 4 Amount: \$9,000,000.00

Proposed New Total Contract Amount: \$23,000,000.00

Current Contract Term: 05/03/17 - 6/30/26

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

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed Amendment No. 4 to Contract No. 6001548
To add funds to the contract to continue managing the operations, maintenance and repairs of
DWSD buildings and facilities
Detroit Building Authority (DBA)

MOTION

Upon recommendation of Marqaiicha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, authorizes the Director to **approve Amendment No. 4 to DWSD Contract 6001548 with the Detroit Building Authority (DBA) for the continuation of construction**

services and support of repairs to DWSD buildings and facilities; by adding \$9,000,000.00, for an amended total contract amount not-to-exceed \$23,000,000.00 and no change to the term ending 6/30/26. This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND & JUSTIFICATION

The DBA was created on October 30, 1973, and was incorporated in accordance with Act 31, Public Acts of Michigan, 1948 (First Extra Session), as amended (the “Act”). The DBA’s function as provided under law is to acquire, furnish, equip, own, improve, operate, and maintain city facilities, including parking lots and structures. The contracting for the operation, maintenance or repair of DWSD buildings constitutes a benefit to and a legitimate public purpose to the Authority and DWSD.

This contract provides construction management, design assistance and facility repair to DWSD properties. The DBA completed building assessments for all DWSD properties, prioritizing them by health and safety. During the life of this Contract, DBA along with DWSD Facility Operations, have corrected several building deficiencies. Two large projects were the elevators at MOB and the on-going roof project at CSF.

This proposed Amendment No. 4 is for additional funds, which will help provide additional construction services and support for DWSD Facilities projects. Proposed projects include the restoration of the employee parking lot at CSF, interior concrete repairs at CSF, structural repairs at MOB, and roof replacement at MOB.

PROCUREMENT METHOD

The Intergovernmental Contract No. 6001548 was approved by the BOWC on May 3, 2017. This contract was procured as a sole source exception to competitive solicitation (ECS) per City of Detroit Code of Ordinance (version 12/12/19) regarding the DBA incorporation (Chapter 12, Article 1, Section 12-1).

Amendment 1 to extend the contract term through 11/1/20 was approved by DWSD Director Gary Brown in order to continue paying DBA while internal discussions on scope of work for this amendment were finalized.

Amendment No 2 extended the contract term through 6/30/23 and added \$9,000,000 for an amended total contract amount not-to-exceed \$14,000,000. It was approved by BOWC 10/21/20, Mayoral Review 10/7/20 and City Council 2/9/21.

Amendment No. 3 extended the contract term through 6/30/26. The DBA Board approved the amendment 11/17/22. Due to a DBA personnel change and a lack of timely email exchanges, the DBA board approval was not forwarded to DWSD Procurement until 4/12/23. This amendment was approved by BOWC 5/17/23.

This Proposed Amendment No. 4 was initiated through Requisition #517019 and approved by budget on 4/12/24. The DWSD Facility Operations Department is requesting to add an additional \$9,000,000.00 for an amended total contract amount not-to-exceed \$23,000,000.

The Detroit Building Authority is not required to maintain clearances, since they are an intergovernmental agency. A formal amended contract document has been sent to the vendor for signature.

SUMMARY

- A. Contract No.: 6001548
- B. Initial Contract Amount: \$5,000,000
- C. Amendment No. 2 Amount: \$9,000,000
- D. Proposed Amendment No. 4 Amount: \$9,000,000
- E. Proposed New Total Contract Amount: \$23,000,000
- F. Original Contract Term: 05/03/17 - 05/02/20
- G. Amendment No. 1 Extension: 05/03/20 - 11/01/20
- H. Amendment No. 2 Extension: 11/02/20 - 06/30/23
- I. Amendment No. 3 Extension: 07/01/23 - 06/30/26
- J. Funding Source: CIP Funds
- K. GL String(s):
 - 5721-20244-487711-617900-900250-30129-0000-000000 - 50% Water
 - 5821-20243-497711-617900-900251-30129-0000-000000 - 50 % Sewer
- L. Projected Fiscal Year (FY) Contract Expenditures:
 - FY 2024: \$1,000,000
 - FY 2025: \$4,000,000
 - FY 2026: \$4,000,000

This proposed amendment was presented to the DWSD Finance Sub Committee on June 5, 2024. Per the DWSD Procurement Policy, this will also be sent for Mayoral review and approval.