



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 17-0032 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

In control: Information Technology and Services

On agenda: 2/15/2017 **Final action:** 2/15/2017

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to grant an increase in the amount of \$1,000,000.00 and a time extension of 365 calendar days to the final completion date to DWSD Contract No. DWS-885, Proposed Change Order No. 3 "As-Needed Low Voltage Wiring III" with DES-Electric LLC., and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Board of Water Commissioners

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/15/2017	1	Board of Water Commissioners	approved	Pass
2/8/2017	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **grant an increase in the amount of \$1,000,000.00 and a time extension of 365 calendar days to the final completion date to DWSD Contract No. DWS-885, Proposed Change Order No. 3 "As-Needed Low Voltage Wiring III" with DES-Electric LLC.**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of February 15, 2017

Item No. 17-0032

Proposed Change Order No. 3

Contract No. DWS-885

Price Increase: \$1,000,000.00

Time Extension: 365 Calendar Days extended for Final Completion

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

FROM: Gary Brown Director
Water and Sewerage Department

RE: DWSD Contract No. DWS-885 Proposed Change Order No. 3
"As-Needed Low Voltage Wiring III"
Contractor: DES-Electric LLC

MOTION

Upon recommendation of Daniel Rainey, Chief Information Officer, the Board of Water Commissioners authorizes the Director to **grant a time extension of 365 calendar days to the final completion date, with an**

increase in the contract amount of \$1,000,000.00 to DWSD Contract No. DWS-885, Proposed Change Order No. 3 “As-Needed Low Voltage Wiring III” with DES-Electric LLC (Contractor), and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

JUSTIFICATION

The Detroit Water and Sewerage Department (DWSD) extended DWS-885 in October 2015 (Item 15-1142) allowing DES-Electric (DES) to continue to furnish and install low voltage wiring systems including 110 volt wiring, telephone wiring, cable, data connections, antenna mounting and connections, instrument wiring, network wiring, speaker, paging systems and code call systems at DWSD facilities on an as needed basis.

DWSD Contract No. DWS-885 was assigned to the GLWA as part of the transfer of contracts and related items as stipulated in the GLWA Lease and Services Agreements. The GLWA issued Change Order No. 2 in April 2016, adding an additional \$950,000 to the agreement.

Under the GLWA, DWS-885 has been managed as joint agreement, with the GLWA IT staff acting as the liaison between DES and the DWSD, and DWSD work requests being separately tracked and invoiced. During the last twelve months, GLWA has exhausted both the funding and the time on the current agreement and needs to bid the work in a new scope in order to align with the GLWA Board’s direction of not extending agreements.

DWSD finds itself in a position where it needs to continue to consume these services and has arranged for the GLWA to assign the current DWS-885 back to DWSD. This assignment is to take place on or about February 20, 2017.

This change order proposes to, upon assignment of the DWSD-885 contract from the GLWA, extend the final completion date of DWS-885 for 365 days to February 28, 2018, and to add \$1,000,000.00 to the contract. This Change Order will permit the contractor the additional time and funds to assist DWSD in upgrading its infrastructure and handle any as-needed low voltage work necessary to support the transition and continuous improvement of infrastructure and services related to the ongoing activities around the separation of IT Infrastructure from the GLWA and to handle the day-to-day needs of the DWSD.

This is a budgeted operations expense for ITS.

This item was reviewed and approved by the Finance Committee on February 8, 2017.

Project Costs

Original Contract Price:	\$4,469,337.67
Change Order No. 1 Price:	\$1,800,000.00
Change Order No. 2 Price:	\$ 950,000.00
Change Order No. 3 Price:	\$1,000,000.00
New Total Contract Price:	\$8,219,337.67

Project Management Status

A. Start Work Date:	March 1, 2013
B. Current Final Completion Date:	February 29, 2017
C. Proposed Revised Final Completion Date:	February 28, 2018

BACKGROUND

DWSD Contract No. DWS-885 was assigned to the GLWA as part of the transfer of contracts and related items as stipulated in the GLWA Lease and Services Agreements. Under the GLWA, DWS-885 has been managed as joint agreement, with the GLWA IT staff acting as the liaison between DES and the DWSD, and DWSD work requests being separately tracked and invoiced. During the last twelve months, GLWA has exhausted both the funding and the time on the current agreement and needs rebid the work in a new scope in order to align with the GLWA Board's direction of not extending agreements. DWSD intends to partner with the GLWA and issue a joint RFP for the scope of work where we will collectively agree on a common vendor and issue separate agreements for each organizations scope of work.

However, today DWSD finds itself in a position where it needs to continue this agreement and has arranged for the GLWA to assign the current DWS-885 back to DWSD. This assignment is to take place on or about February 20, 2017. Once the assignment is complete, the changes proposed can be implemented.

DWSD Contract No. DWS-885 was awarded on October 24, 2012 for a total amount of \$4,669,337.67 and extended for 365 days and increased to \$6,469,337.67 in October 2015 by the Board of Water Commissioners. The contract was assigned to the GLWA during the transition of the agreements in the early part of 2016. GLWA then issued Change Order No. 2 against the contract, now called, GLWA-DWS-885 for \$950,000, increasing the total contract amount, including Change Order No. 2, to \$7,219,337.67. Change Order No. 3 moves the total contract amount to \$8,219,337.67

This contract supports critical, emergency and routine repairs across DWSD operations and infrastructure. These services include 110 volt wiring, telephone wiring, coax cable installations, data connections, emergency electrical and instrument repairs on the water and sewer metering sites and in data centers, network connections to remote sites, instrument wiring, network wiring, uninterrupted power supply installations and maintenance, UPS battery maintenance, speaker installations, paging system installations and repairs code call systems on an as-needed basis.

This item was reviewed and approved by the Finance Committee on February 8, 2017.