



Detroit Water and Sewerage Department

735 Randolph Street
Detroit, Michigan 48226
(313) 224-4704 Office
dwsd.legistar.com

Legislation Details (With Text)

File #: 21-0455 **Version:** 1 **Name:**

Type: Contract Amendment **Status:** Passed

In control: Financial Services

On agenda: 4/21/2021 **Final action:** 4/21/2021

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve Amendment 2 to DWSD Contract 6001390 to extend the term through 4/30/21 and add \$40,000 for a new amended total not-to-exceed amount of \$220,000 for continued repairs, parts and maintenance services of John Deere equipment with AIS Construction Equipment. This 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, Finance Committee

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------------|--------------------------|--------|
| 4/21/2021 | 1 | Board of Water Commissioners | approved | Pass |
| 4/7/2021 | 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 approve **Amendment 2 to DWSD Contract 6001390 to extend the term through 4/30/21 and add \$40,000 for a new amended total not-to-exceed amount of \$220,000 for continued repairs, parts and maintenance services of John Deere equipment with AIS Construction Equipment.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of April 21, 2021

Item No.: 21-0455

Proposed Amendment No. 2

Contract No. 6001390

Contractor: AIS Construction Equipment, 56555 Pontiac Trail, New Hudson, Michigan 48165

Current Contract Amount: \$180,000

Proposed Amendment 2 Amount: \$40,000

New Proposed Total Contract Amount: \$220,000

Current Term: 4/18/18 - 12/31/20

Proposed Extension: 1/01/21 - 4/30/21 (4 months)

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed Amendment 2 to DWSD Contract 6001390 to add time and money
John Deere Parts, Repairs, and Maintenance Services

MOTION

Upon recommendation of Mamata Burgi, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **Amendment 2 to DWSD Contract 6001390 to extend the term through 4/30/21 and add \$40,000 for a new amended total not-to-exceed amount of \$220,000 for continued repairs, parts and maintenance services of John Deere equipment with AIS Construction Equipment.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

DWSD Fleet is responsible for ensuring all DWSD owned John Deere vehicles and equipment are operational and safe for use. . This requires parts, maintenance and repair services, including warranty repairs, are conducted on an as-needed basis to keep the equipment in good working order.

DWSD owns multiple pieces of John Deere equipment that are critical to the daily operations. Examples of John Deere equipment owned and utilized by DWSD include

- front end loaders which are used to move equipment and remove contaminated materials from sites to maintain compliance per the environmental protection act (EPA)
- mini excavators used for water main breaks and to dig in the field/at the site ,.

PROCUREMENT METHOD

This contract was competitively solicited per RFB #RJ-445138 on February 27, 2018, with a closing date of March 20, 2018 through the Michigan Intergovernmental Trade Network. The RFB was solicited to over 505 suppliers which generated no responsive, responsible bidders. However, after researching, the Procurement Department found that AIS Construction Equipment is the only authorized John Deere service and support vendor within the required 30-mile radius of the Detroit area. Therefore, AIS Construction Equipment, was deemed to be a single source provider and a two-year contract in the amount of \$180,000 for the term of 4/18/18 - 4/17/20 was approved by the BOWC on 4/18/18.

Requisition #483359 for Amendment 1 was approved on 9/11/20 to extend the term by 8 months, for a new expiration date of 12/31/2020. Amendment 1 was approved by the Director on 10/12/2020.

The Fleet Department submitted Requisition #485616 that was approved on 12/22/20 requesting Amendment 2 to extend the term by 4 months, for a new expiration date of 4/30/2021 and to add funding in the amount of \$40,000 to ensure that Fleet continues to receive John Deere parts and services. The Contractor has agreed to the extension at the same price, terms and conditions, with no changes to the scope of work. This amendment

has been delayed due to AIS' revenue & tax clearances pending approval with the City of Detroit, which have finally been approved.

Fleet has submitted a separate requisition (#485572) for a new contract to replace this contract upon expiration. AIS Construction Equipment's clearances expire on 1/19/22 and a formal amended contract document is not required. Per the DWSD Procurement Policy, no additional approvals are required.

SUMMARY

| | |
|------------------------------------|---|
| A. Contract No.: | 6001390 |
| B. Initial Contract Term: | 4/18/18 - 4/17/20 |
| C. Extension A1: | 4/18/20 - 12/31/20 (8 months) |
| D. Proposed Extension A2: | 12/31/20 - 4/30/21 (4 months) |
| E. Original Contract Amount: | \$180,000 |
| F. Amendment 1 Amount: | N/A |
| G. Remaining Contract Balance: | \$382.33 |
| H. Proposed Amendment 2 Amount: | \$40,000 |
| I. Proposed Total Contract Amount: | \$220,000 |
| J. Funding Source: | O&M Funds |
| K. GL Strings: | |
| | 5720-20167-482422-617900-000209-10731-0000-000000 - 30% |
| | 5820-20178-492422-617900-000230-15956-0000-000000 - 70% |

This proposed contract was presented to the DWSD Finance Committee on April 7, 2021. Per DWSD procurement protocol, Mayoral Review and City Council approvals will be obtained.