



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 2023-82 **Version:** 1 **Name:**

Type: Contract Amendment **Status:** Passed
In control: Financial Services

On agenda: 4/19/2023 **Final action:** 4/19/2023

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve Amendment No. 1 to DWSD Contract 6004127 with EJ USA, Inc. for fire hydrant conversions and breakable parts by adding \$1,403,806 for a total amended contract amount not-to-exceed \$4,211,417.02. 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
4/19/2023	1	Board of Water Commissioners	approved	Pass
4/5/2023	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 No. 1 to DWSD Contract 6004127 with EJ USA, Inc. for fire hydrant conversions and breakable parts by adding \$1,403,806 for a total amended contract amount not-to-exceed \$4,211,417.02.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of April 19, 2023

Item No.: 2023-82

Proposed Amendment No. 1

Contract No.: 6004127

Contractor: EJ USA, Inc., 301 Spring Street, East Jordan, MI 49727

Current Contract Amount: \$2,807,611.02

Proposed Amendment No 1 Amount: \$1,403,806.00

Proposed Total Contract Amount: \$4,211,417.02

Current Contract Term: 2/28/22 - 2/27/24 (2 years)

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed Amendment No. 1 to DWSD Contract 6004127
Fire Hydrants Conversion and Breakable Parts
EJ USA, Inc.

MOTION

Upon recommendation of Marqaicha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director **approve Amendment No. 1 to DWSD Contract 6004127 with EJ USA, Inc. for fire hydrant conversions and breakable parts by adding \$1,403,806 for a total amended contract amount not-to-exceed \$4,211,417.02.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

The proposed Amendment No. 1 requests additional funds (but no addition of time) for the increased need for replacement fire hydrants and parts, due to the existence of over 3000 broken hydrants throughout the City and the urgent need to address this as soon as possible. The DWSD Warehouses secure, store and issue parts from inventory, including fire hydrant conversion and breakable parts to the Maintenance & Repair Division for use throughout the City of Detroit. The contract provides fire hydrants and parts, on an as-needed basis. The contract helps to replenish stock levels, preventing emergency spot buys and possible work stoppage. The City of Detroit designed and produced the hydrants over 100 years ago. At that time other manufactures produced hydrants for the City of Detroit per their specification. Now, EJ USA is the approved sole manufacturer of hydrants used by DWSD.

The conversion and breakable hydrants are used though out the City of Detroit to gain direct access to water mains. The conversion hydrants are used to replace the old hydrants when digging into the ground is not necessary. The breakable hydrants are required when digging and pipe replacement is required, resulting in a replacement of the old hydrant. This allows DWSD to isolate maintenance and repair during emergency situations.

PROCUREMENT METHOD

The Contract was initiated through Requisition #491852, which was fully approved on 9/23/21, and was competitively solicited as a Request For Bids (RFB) and was advertised on the BidNet Michigan Inter-Governmental Trade Network (MITN) website from 10/28/21 to 11/22/21 (26 calendar days). MITN published this opportunity to 67 companies subscribing to the relevant NIGP codes(s) and 12 firms downloaded the RFB package. One bid was received from EJ USA, Inc.

The evaluation and recommendation for award was based on the fact that EJ USA, Inc. is the only provider in the area, and they submitted all required forms and documents as listed in the RFB and have been deemed responsive & responsible. In addition, EJ USA has provided a sole source letter to DWSD confirming that they are the only firm that can provide these items to DWSD.

The Board of Water Commissioners approved the initial contract on 2/17/2022 in the amount of \$2,807,611.02.

The proposed Amendment No. 1 was initiated through Requisition #505388 and approved by Budget on 3/6/23. The DWSD Warehouse Department is requesting to add \$1,403,806 for a new not-to-exceed amended contract amount of \$4,211,417.02.

EJ USA clearances expire on 4/25/23. A formal amended contract document is not required.

SUMMARY

A. Contract No: 6004127

B. Contract Term:	2/28/22 - 2/27/24 (2 years)
C. Initial Contract Amount:	\$2,807,611.02
D. Proposed Amendment No. 1 Amount:	\$1,403,806
E. Proposed New Total Contract Amount:	\$4,211,417.02
F. Anticipated FY Spend:	
	FY 21-22: \$1,050,000.00
	FY 22-23: \$1,998,372.22
	FY 23-24: \$1,163,044.80
G. Funding Source:	O&M Funds
H. GL String:	
	5720-20276-487611-624115-001688-10732-0000-000000 - 100% (Water)

This proposed contract was presented to the BOWC Finance Committee on April 5, 2023. Per DWSD procurement protocol, Mayoral Review will also be obtained.