



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 2023-108 **Version:** 1 **Name:**

Type: Contract Amendment **Status:** Passed

In control: Financial Services

On agenda: 5/17/2023 **Final action:** 5/17/2023

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve Amendment 3 to DWSD Contract No. 6001548 with the Detroit Building Authority (DBA) to continue managing the operations, maintenance and repairs of DWSD buildings and facilities by extending the term by three years (through 6/30/26). 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 |
|-----------|------|------------------------------|--------------------------|--------|
| 5/17/2023 | 1 | Board of Water Commissioners | approved | Pass |
| 5/3/2023 | 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 3 to DWSD Contract No. 6001548 with the Detroit Building Authority (DBA) to continue managing the operations, maintenance and repairs of DWSD buildings and facilities by extending the term by three years (through 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 May 17, 2023

Item No. 2023-108

Proposed Amendment No. 3

Contract No.: 6001548

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

Current Contract Amount: \$14,000,000

Current Contract Term: 05/03/17 - 6/30/23

Proposed Amendment No. 3 Term Extension: 7/1/23 - 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. 3 to Contract No. 6001548
To add three years to the contract term to continue managing the operations, maintenance

**and repairs of DWSD buildings and facilities.
Detroit Building Authority (DBA)**

MOTION

Upon recommendation of Marqicha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve Amendment 3 to DWSD Contract No. 6001548 with the Detroit Building Authority (DBA) to continue managing the operations, maintenance and repairs of DWSD buildings and facilities by extending the term by three years (through 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. 3 is a time only extension, which will help provide additional construction services and support for DWSD Facilities projects. Proposed projects include the restoration of the employee parking lot at Central Services Facility (CSF) and the restoration of the exterior façade 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 extended the contract term through 11/1/20 and was approved by DWSD Director Gary Brown to continue paying DBA while internal discussions on scope of work for this amendment were finalized.

Amendment 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.

This Proposed Amendment 3 was initiated through requisition 500619 approved by budget on 9/7/22. The DWSD Facility Operations Department is requesting an extension of time for an additional three years. 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.

DBA is not required to maintain clearances, since they are an intergovernmental agency. A formal amended

contract document will be routed for signature once all the required approvals are received.

SUMMARY

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|---|--|
| A. Contract No.: | 6001548 |
| B. Initial Contract Amount: | \$5,000,000 |
| C. Amendment 2 Contract Amount: | \$9,000,000 |
| D. Current Contract Amount: | \$14,000,000 |
| E. Initial Contract Term: | 05/03/17 - 05/02/20 |
| F. Amendment 1 Term Extension: | 05/03/20 - 11/01/20 |
| G. Amendment 2 Term Extension | 11/02/20 - 06/30/23 |
| H. Proposed Amendment 3 Term Extension: | 07/01/23 - 06/30/26 |
| I. Funding Source: | CIP Funds |
| J. GL String(s): | |
| | 5721-20244-487711-617900-900250-30129-0000-000000 - 50 % Water |
| | 5821-20243-497711-617900-900251-30129-0000-000000 - 50 % Sewer |

K. Projected Fiscal Year (FY) Contract Expenditures:

| | |
|----------|-----------|
| FY 2024: | 1,000,000 |
| FY 2025: | \$800,000 |
| FY 2026: | \$200,000 |

This proposed amendment was presented to the DWSD Finance Sub Committee on May 3, 2023. Per the DWSD Procurement protocol, no other approvals are required.