



Detroit Water and Sewerage Department

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Legislation Text

File #: 18-0173, **Version:** 1

The Board of Water Commissioners for the City of Detroit's Water and Sewerage Department authorizes the Director to **secure Change Order No. 2 to exercise the second and final, one year renewal for Contract No. 2911300 with EJ USA Inc., for various hydrant parts at a cost of \$818,463.63 for the total contract amount not to exceed \$2,455,390.89** and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

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|--------------------------------------|-----------------------------------------|
| Agenda: | August 1, 2018 |
| Item No. | 18-0173 |
| Contract No. : | 2911300 |
| Original Contract Length | 2 years with 2 one year renewals |
| The Original Contract Amount: | \$1,636,927.26 |
| Change Order No. 1 Amount: | \$818,463.63 |
| Total Contract Amount: | \$2,455,390.89 |
| Contract start date: | 7/31/18 |
| Change order No. 2 end date: | 7/31/19 |

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Change Order No. 2 to exercise the 2nd and final one year renewal of **DWSD Contract No. 2911300 for stock replenishment of "Various Hydrant Parts"**

MOTION

Upon recommendation of Thomas Naughton, Chief Finance Officer, the Board of Water Commissioners for the City of Detroit's Water and Sewerage Department authorizes the Director to **secure Change Order No. 2 to exercise the second and final, one year renewal for Contract no. 2911300 with EJ USA Inc., for various hydrant parts at a cost of \$818,463.63 for the total contract amount not to exceed \$2,455,390.89** and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The stores / warehouse function is to receive, stock, store, and issue materials to various DWSD teams to support our Field services, Maintenance, Repair, and Operations work. This proposed two year contract will

allow timely replenishment of fire hydrant parts to ensure DWSD stock levels meet operational needs.

JUSTIFICATION

This contract will serve to ensure that hydrants parts are available for installation when needed. The various items include, but are not limited to, assembly bonnets, hydrant caps, hydrant extensions, gaskets, repair kits, nozzles, nipples, nuts, standpipe, stems, valves and pins will be used to repair standard and breakaway fire hydrants. These parts will be maintained as inventory and then issued as replacement parts, upon request.

PROCUREMENT METHOD

After the evaluation of the bids on a prior competitive solicitation (pre-bifurcation) and review of the specifications, it was determined that EJ USA Inc., had proprietary rights of the hydrant drawings. EJ USA Inc. is the manufacturer of the particular “Carrol-drain” hydrants used by DWSD. Therefore, Procurement has considered the vendor a sole source and has entered into an agreement with the manufacturer directly to avoid additional mark up costs from distributors.

DETAILS

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| Funding Source | Operation & Maintenance |
| GL String | 5720-20276-487611-624115-001688-10732-0000-000000 |
| Contract Start Date | 8/1/2015 |
| Contract End Date | 7/31/2019 |
| Original Contract Amount | \$1,636,927.26 |
| Change Order No. 1 Amount | \$818,463.63 |
| Total Contract Amount | \$2,455,390.89 |