



Detroit Water and Sewerage Department

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Legislation Text

File #: 20-0004, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **two three-year contracts for automotive batteries with Detroit Battery Company (#6002635) in the amount of \$46,282.02 and with Start All Enterprises dba Complete Battery Source (#6002636) in the amount of \$62,277.00**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of January 15, 2020

Item No.: 20-0004

Contract Term: 2/1/2020 - 1/31/2023 (3 years)

Contract No: 6002635

Contractor: Detroit Battery Co., LLC

Address: 1026 Rankin Drive, Troy, MI 48083

Contract Total Amount: \$46,282.02

Contract No: 6002636

Contractor: Start All Enterprises Inc. dba Complete Battery Source

Address: 23170 W 8 Mile Rd, Southfield, MI 48033

Contract Total Amount: \$62,277.00

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

FROM: Gary Brown, Director
Water and Sewerage Department

**RE: Proposed DWSD Contracts 6002635 & 6002636
Automotive Batteries**

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 **two three-year contracts for automotive batteries with Detroit Battery Company (#6002635) in the amount of \$46,282.02 and with Start All Enterprises dba Complete Battery Source (#6002636) in the amount of \$62,277.00**, and also

authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND & JUSTIFICATION

The DWSD Auto Store-room team is responsible for stocking vehicle batteries for the maintenance and repair of fleet vehicles. Batteries are essential to the operation of every vehicle. The Fleet Services Department is responsible for regularly scheduled routine maintenance and inspections. Batteries have a recommended planned replacement; although even in ideal operating conditions, battery's lifespan varies due to time, heat and vibration. This contract will allow for the as-needed replacement of batteries for DWSD's fleet vehicles.

PROCUREMENT METHOD

The contracts were procured through a Request for Bids (RFB) and advertised on the Michigan Inter-Governmental Trade Network (MITN) for 14 calendar days. MITN published this opportunity to 48 companies subscribing to the relevant NIGP code(s) and 16 vendors downloaded the bid package.

The RFB contained prices for 13 different types of automotive batteries and was evaluated based on lowest price per battery plus the "core charge", which is a deposit paid at the time of purchase and is refunded when returned after use to promote recycling and proper disposal. Estimated quantities of the batteries were based on historical demand and forecasted use over three years.

Seven bids were received from the following bidders. For purposes of evaluating the bids, the lowest price is equal to the battery unit price plus the unit core charge.

Bidders (listed alphabetically)

Battery Systems, Inc.

Complete Battery Source

Dealer Auto Parts Sales, Inc.

Detroit Battery Co., LLC

Kirk's Automotive Inc.

O'Reilly Auto Parts

Tri-County International Truck Inc.

Dealer Auto Parts Sales, Inc. was deemed non-responsive for failing to provide core charges, therefore they were deemed nonresponsive and their bid was not evaluated further.

Kirk's Automotive was the only bidder to receive equalization credits for being a DBB; however, despite applied equalization credits, they were not the lowest on any of the line items.

Based on the information above, it is recommended that these contracts be awarded to the lowest equalized responsive and responsible bidders per line item, which is Detroit Battery Company and Start All Enterprises dba Complete Battery Source. See attached spreadsheet for the price breakdown and awarded lines, including the application of equalization credits.

SUMMARY - Detroit Battery Company

- A. Contract Number: 6002635
- B. Contract Term: 2/1/2020 - 1/31/2023 (3 years)
- C. Contract Amount: \$46,282.02
- D. Funding Source: O&M Funds
- E. Projected Fiscal Year (FY) Contract Expenditures:
- | | |
|-----------|-------------|
| FY 19-20: | \$ 6,428.06 |
| FY 20-21: | \$15,427.34 |
| FY 21-22: | \$15,427.34 |
| FY 22-23: | \$ 8,999.28 |

SUMMARY - Start All Enterprises dba Complete Battery Source

- A. Contract Number: 6002636
- B. Contract Term: 2/1/2020 - 1/31/2023 (3 years)
- C. Contract Amount: \$62,277.00
- D. Funding Source: O&M Funds
- E. Projected Fiscal Year (FY) Contract Expenditures:
- | | |
|-----------|-------------|
| FY 19-20: | \$ 8,649.58 |
| FY 20-21: | \$20,759.00 |
| FY 21-22: | \$20,759.00 |
| FY 22-23: | \$12,109.42 |

The proposed contracts were presented to the DWSD Finance Committee on January 7, 2020. Per the DWSD Procurement Policy, Post FRC Mayoral review will also be obtained.

