



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0448, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **Amendment 2 to DWSD Contract 6002217, which utilizes Sourcewell's Cooperative Contract #030817-JHN with Johnson Controls Inc., for HVAC equipment, parts, repairs and preventative maintenance services to add \$230,731, for an amended total contract amount not-to-exceed \$6,232,867.** 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: 21-0448

Proposed Amendment 2

Contract No: 6002217

Contractor: Johnson Controls, Inc., 2875 Highway Meadow Circle, Auburn Hills, MI 48326

Current Contract Amount: \$6,002,136

Proposed Amendment 2: \$230,731

Proposed New Total Contract Amount: \$6,232,867

Current Contract Term: 7/17/19 - 6/30/22 (3 years)

Proposed Extension: N/A

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 6002217 with Johnson Controls, Inc. for additional HVAC repairs, equipment and installation 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 6002217, which utilizes Sourcewell's Cooperative Contract #030817-JHN with Johnson Controls Inc., for HVAC equipment, parts, repairs and preventative maintenance services to add \$230,731, for an amended total contract amount not-to-exceed \$6,232,867.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

The Facilities Division is responsible for maintaining the heating, ventilation and air conditioning (HVAC) systems for all DWSD locations. On July 12, 2019, the BOWC authorized DWSD to utilize the Sourcewell-NJPA Cooperative Agreement # 030817-JHN with Johnson Controls, Inc. to provide HVAC equipment, parts, repairs and preventative maintenance services to all five DWSD locations. This contract provides for all parts and labor necessary to inspect, repair, perform routine preventative maintenance, purchase and install replacement equipment, as well as any emergency service calls for the DWSD's HVAC systems.

This ensures DWSD's HVAC systems are properly maintained and serviced to prolong the life and longevity of the units and system. This contract was initially approved by the BOWC on 7/12/19.

Amendment 1 was approved by the BOWC on 6/17/20 and Detroit City Council on 7/21/20. This amendment requested additional funds for the replacement and installation of eight (8) HV roof top units, four (4) tube style heaters in the car wash and an (1) air compressor system for a total amount of \$2,036,273; for an amended total contract not-to-exceed amount of \$6,002,136. These improvements created energy efficient work environment and assisted with regulatory and safety compliance matters.

Proposed Amendment 2 is requesting additional equipment, installation, repairs and upgrades for a total of \$230,731, which is within the scope of work of Sourcewell's Cooperative Contract #030817-JHN. This amendment covers 2 projects:

- For Covid related HVAC Repairs to the Damper Repair/Electrical Room MultiStack Chiller Repairs at the Main Office Building (MOB) for \$100,731.00. These repairs are needed to support the reopening of the building.
- For unforeseen additional repairs necessary to the HVAC ductwork at the CSF location for \$130,000.00.

MOB:

In anticipation of DWSD staff returning to the buildings after working from home for over a year due to the Covid-19 pandemic, Facilities staff worked with Johnson Controls to evaluate DWSD's HVAC systems to discuss what can be done to limit the spread of Covid-19 at MOB.

Per Johnson Controls inspection, it was determined that MOB should have fresher air and more ventilation for its occupants, which requires a functioning Outdoor Air Damper. The current damper(s) and control actuators do not operate. The Dampers have separated from the wall because the fan was running when closed. It is recommended that new damper operators need to be installed, along with a new control panel to work in conjunction with the starter for the fan in the chiller basement that is used to turn on and off the main fan. The starter will interlock with the fan so if the dampers do not open, then the fan will not turn on. Johnson Controls recommends the upgrades listed below. The cost of these repairs is \$100,731.

- Remove and Replace existing 100% outdoor air dampers on the 22nd floor
- Damper Bank includes 3 pieces 1-82" x 95H", 1-41" x 95 H, 1-38.75" x 95H
- Replace actuators and interlock fan/dampers
- Replace filters on a more frequent basis

- All of the filters are being replaced more frequently
- Ensure exhaust fans are operational to improve ventilation

CSF:

Due to Johnson Controls investigation into issues with the HVAC system at CSF, it was determined that the existing venting is not adequately sized for the existing units. The venting flue pipes are too small and require a larger flue size to vent the system properly, which most likely contributed to the failure of the heat exchangers on all existing units. Therefore, it is necessary to increase the venting sizes to meet the equipment operational parameters on the seven (7) units. This issue was not previously known and requires additional funds and services that were not previously anticipated. The cost of these repairs is \$130,000.

PROCUREMENT METHOD

The DWSD Procurement Policy approves participation in cooperative purchasing agreements through public purchasing consortiums. Sourcewell, previously known as the National Joint Powers Alliance (NJPA) is a Minnesota service cooperative agency. This agency issued a competitive solicitation Request for Proposal # 030817, which included HVAC Systems Planned Services.

The DWSD Procurement Policy requires that Detroit Based Businesses (DBB) or Detroit Resident Businesses (DRB) must be provided an exclusive opportunity to submit a bid that is equal to or less than the cost of the cooperative purchase price provided the DBB or DRB will meet or exceed all the terms and conditions of the original Sourcewell contract. To ensure compliance, DWSD Procurement issued an Invitation to Respond (ITR) on MITN on 5/23/19, which required an intent to respond due on 6/6/19 and yielded zero (0) responses.

Johnson Control's clearances expire on 10/9/21 and provided quotes for the two projects, and a formal contract amendment document is not required.

SUMMARY

A.	Contract Purchase Agreement	6002217
B.	Initial Contract Amount:	\$3,965,863
C.	Amendment 1 Amount:	\$2,036,273
D.	Proposed Amendment 2 Amount:	\$ 230,731
E.	Proposed New Total Contract Amount:	\$6,232,867
F.	Contract Term (no change):	7/17/19 - 6/30/22 (no change)
G.	Funding Source:	CIP Funds
H.	GL Strings:	

MOB Improvements for Return to Work Related to Covid-19

5721-20244-487711-644111-350999-30129-0000-000000

5821-20243-497711-644111-350999-30129-0000-000000

CSF Improvements

5721-20244-487711-617900-900279-30129-0000-000000

5821-20243-497711-617900-900280-30129-0000-000000

I. Projected Fiscal Year (FY) Contract Expenditures:

FY 20: \$1,291,900

FY 21: \$3,609,835 (amended amount)

FY 22: \$1,352,306

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