



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0441, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract 6003430 for repairs, parts and maintenance services of John Deere equipment with AIS Construction Equipment for a total contract amount not-to-exceed \$270,000 and a term of 26 months.** 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 No.: 21-0441

Proposed Contract No. 6003430

Contractor: AIS Construction Equipment, 56555 Pontiac Trail, New Hudson, Michigan 48165

Contract Amount: \$270,000

Term: 5/1/21 - 6/30/23, with a one-year renewal option exercisable by the BOWC

Note: DWSD will seek BOWC approval to exercise a 1 year renewal options and add additional funds

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed DWSD Contract 6003430
John Deere Parts, Repairs, and Maintenance Services
AIS Construction

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 **DWSD Contract 6003430 for repairs, parts and maintenance services of John Deere equipment with AIS Construction Equipment for a total contract amount not-to-exceed \$270,000 and a term of 26 months.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

DWSD Fleet is responsible for ensuring all DWSD owned John Deere vehicles and equipment are operational

and safe for use. This requires that parts replacement, maintenance and repair services, including warranty repairs are conducted on an as-needed basis to keep the equipment in good working order.

DWSD owns multiple pieces of John Deere equipment that are critical to the daily operations. Examples of John Deere equipment owned and utilized by DWSD include

- front end loaders which are used to move equipment and remove contaminated materials from sites to maintain compliance per the environmental protection act (EPA)
- mini excavators used for water main breaks and to dig in the field/at the site

This proposed contract will ensure uninterrupted, as-needed, maintenance and repair services and OEM parts availability for John Deere Equipment vehicles. This proposed contract will replace Contract 6001390, which is set to expire 4/30/21.

PROCUREMENT METHOD

This contract was procured via a single source exception to competitive solicitation due to AIS Construction being the only authorized equipment, parts and repair provider John Deere items in this region.

In February 2018, DWSD competitively solicited for a John Deere parts and repairs provider via RFB#RJ-445138, which was posted on the MITN BidNet website. However, after researching, the Procurement Department found that AIS Construction Equipment is the only authorize John Deere service and support vendor within the required 30-mile radius of the Detroit area. Therefore, AIS was deemed a single source provider to DWSD of John Deere equipment, parts and repair services.

DWSD Fleet has estimated total costs for parts & services for the two-year term of this contract to be \$270,000, which is based on historical spend. Requisition 485572 for this procurement was approved on 2/23/21.

AIS Construction Equipment clearances expire on 1/19/22 and a formal contract document is not required.

SUMMARY

A. Contract No:	6003430
B. Contract Term:	5/1/21 - 6/30/23, with a 1-year renewal option exercisable by the BOWC
C. Total Contract Amount:	\$270,000
D. Projected Fiscal Year (FY) Contract Expenditures:	
	FY 21-22: \$ 20,000
	FY 22-23: \$125,000

FY 23-24: \$125,000

E. Funding Source: O&M Funds

F. GL Strings:

5720-20167-482422-617900-000209-10731-0000-000000 - 30%

5820-20178-492422-617900-000230-15956-0000-000000 - 70%

This proposed contract was presented to the Finance Committee on April 7, 2021. Per DWSD procurement protocol, Mayoral Review will also be obtained.