



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0590, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **Amendment No. 4 to DWSD Contract 6000749, with MSC Industrial Supply Company, for Maintenance, Repair, and Operations (MRO) Supplies, to add \$217,372.94 in funding for a total amended not-to-exceed amount of \$3,912,713.16 and add three (3) months for a total term ending November 21, 2021.** The BOWC also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of September 15, 2021

Item No. 21-0590

Contract No.: 6000749

Contractor: MSC Industrial Supply Company, 31557 Schoolcraft Rd., Suite 100, Livonia, MI 48150

Current Contract Amount: \$3,695,340.22

Proposed Amendment 4 Amount: \$217,372.94

Proposed New Total Amount: \$3,912,713.16

Current Contract Term: 5/22/17- 8/21/21

Proposed Extension: 8/22/21 - 11/21/21

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

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed Amendment No. 4 for DWSD Contract 6000749
Add time and funds for Maintenance, Repair, and Operations (MRO) Supplies

MOTION

Upon recommendation of Mamata Burgi, Operations Resource Manager, The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **Amendment No. 4 to DWSD Contract 6000749, with MSC Industrial Supply Company, for Maintenance, Repair, and Operations (MRO) Supplies, to add \$217,372.94 in funding for a total amended not-to-exceed amount of \$3,912,713.16 and add three (3) months for a total term ending November 21, 2021.** The BOWC also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

This MRO Contract includes janitorial supplies, industrial equipment and supplies such as compressors, pumps, valves, gaskets, lubricants, repair tools and cleaning supplies which will help ensure DWSD's day to day operations run efficiently and customer needs are met in a timely manner.

This contract has approximately \$116,119.21 of the total NTE remaining and the MSC Industrial Supply Company has agreed in writing to extend the contract through 11/21/21 at the same pricing, scope, terms and conditions of the original contract.

- Amendment 1 increased the NTE by \$252,056.80, for a new NTE of \$695,340.22, which was approved by the BOWC on 2/21/18.
- Amendment 2 added \$3,000,000 for a new NTE of \$3,695,340.22 and added 2 years which was approved by the BOWC on 6/20/18.
- Amendment 3 added 3 months to extend the contract through 8/21/21 which was approved by an Executive Letter on 3/22/21.

The initial requisition for a new contract came to Procurement in April 2021. Due to high turnover, the request for a solicitation has passed through multiple buyers and has been delayed considerably due to other more urgent & critical priorities from across DWSD.

Proposed Amendment 4 to Contact 6000749 will ensure that DWSD can continue timely delivery of maintenance & repair parts for our operation's needs while allowing time for Procurement to competitively solicit for a new contract for maintenance, repair, and operations (MRO) supplies.

PROCUREMENT METHOD

This contract was originally competitively solicited and advertised the week of April 17, 2017, on the Michigan Inter-Governmental Trade Network (MITN) website. This contract was solicited to over seventy five (75) companies in MITN on RFB #60005 which yielded three (3) responsible bidders. Following the review of the bids, Procurement determined that the lowest responsive, responsible bid was submitted by the incumbent MSC Industrial Supply Company.

The DWSD Materials Management Department submitted requisition 490649, that was approved on 8/23/21, requesting an amendment with MSC Industrial Supply Co., to extend the contract term three (3) months and add \$217,372.94 for a not-to-exceed amount of \$3,912,713.16. MSC Industrial Supply Company was contacted and has agreed in writing to extend the contract.

MSC Industrial Supply Co. clearances expire 4/14/22. Per DWSD procurement protocol, no other approvals are required, and a formal amendment document is not required.

SUMMARY

A. Contract No.: 6000749

B. Initial Contract Term:	5/23/17 - 5/22/19 (2 year)
C. Amendment No. 2 Extension:	5/23/17 - 5/22/21 (2 years)
D. Amendment No. 3 Extension:	5/23/17 - 8/21/21 (3 months)
E. Proposed Amendment No. 4 Extension:	5/23/17 - 11/21/21 (3 months)
F. Initial Contract Amount:	\$443,283.42
G. Amendment No. 1 Amount:	\$252,056.80
H. Amendment No. 2 Amount:	\$3,000,000 (\$1M / Fiscal Year)
I. Amendment No. 3 Amount:	N/A
J. Proposed Amendment No. 4 Amount:	\$217,372.94
K. Proposed New Total Contract Amount:	\$3,912,713.16
L. Funding Source:	O & M Funds

M. GL Strings(s):

5720-20276-487611-624115-001688-10732-0000-000000 - 100% Water

N. Anticipated Fiscal Year Spend:

(Remaining NTE Balance + Proposed Amendment No. 4 Amount)

FY 21-22: \$333,492.15

This proposed amendment was presented to the BOWC on September 1, 2021. Per the DWSD Procurement Policy, no other approvals are required.