



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0619, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve Amendment 2 to Contract No. 6002328 with Phoenix Environmental, Inc. for inspections for parts and as needed maintenance and repairs of DWSD owned fuel lines, underground fuel storage tanks and related fuel system equipment to add \$152,026.50 in funding for a total amended not-to-exceed amount of \$456,079.50** and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of October 20, 2021

Item No. 21-0619

Proposed Amendment 2

Contract No. 6002328

Contractor: Phoenix Environmental, Inc., 12815 Premier Center Court, Plymouth, Michigan 48170

Current Contract Amount: \$304,053.00

Proposed Amendment No. 2 Amount: \$152,026.50

Proposed New Total Amount: \$456,079.50

Contract Term: 9/1/2019 - 6/30/2022

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

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed DWSD Contract No. 6002328
Inspections, Parts, Maintenance and Repairs of DWSD owned Fuel Lines, Dispensing Equipment, Underground Storage Tanks and Related Fuel System Equipment

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 2 to Contract No. 6002328 with Phoenix Environmental, Inc. for inspections for parts and as needed maintenance and repairs of DWSD owned fuel lines, underground fuel storage tanks and related fuel system equipment to add \$152,026.50 in funding for a total amended not-to-exceed amount of \$456,079.50** 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 Supply Chain Division is responsible for preventive maintenance, parts and service repairs for fuel lines, underground fuel storage tanks, dispensing equipment and related equipment at the CSF and West Yard locations. From time to time, maintenance or improvements are needed to meet regulatory or performance requirements. The Fuel Management System is essential to support DWD's vehicles needed in daily operations. DWSD will be doing a separate contract to remove and replace any underground storage tanks beyond their useful life cycle.

DWSD owned vehicles and equipment utilize fuel for daily operations; therefore, a preventive maintenance and service repair contract is needed for DWSD to remain compliant with the State of Michigan's Environmental Protection Agency (EPA). Per the U.S. Code, Title 42, Chapter 82, Subchapter IX, all owned underground storage tanks must follow industry codes and standards to eliminate a potential threat from leaks, contamination of groundwater; a major source of drinking water, routine maintenance, in addition to upgrading and completing necessary service repairs.

PROCUREMENT METHOD

This contract was initially approved by the BOWC on 9/18/19. For Contract 6002328, DWSD piggy backed off City of Detroit's contract to provide these services to DWSD Facilities under the same pricing, terms and conditions as the City's contract therefore, an Invitation to respond (ITR) was not required.

The City of Detroit competitively solicited for underground fuel system infrastructure inspections and management services via a Request for Proposals (RFP), which was posted on BidSync on October 20, 2015 and closed on November 17, 2015. The contract resulting from the RFP was approved by Detroit City Council on January 12, 2016 and took effect January 21, 2016. DWSD is requesting to piggyback off the City of Detroit's contract to provide these services to DWSD Facilities under the same pricing, terms and conditions as the City's contract; therefore, an Invitation to Respond (ITR) is not required.

Amendment No. 1: The DWSD Materials Management Department submitted Requisition #489126, that was approved on 5/12/2021 requesting a time only extension only for one additional year. An Executive Letter for Amendment No. 1 requested a contract extension through June 30, 2022. The extension allowed for previously approved funds to cover vendor billing. Mayoral approval was granted 6/30/21. The Executive Letter was routed for approval and signed by Director Gary Brown on 7/25/21.

Proposed Amendment No. 2: The Requisition # 491461 was approved on 9/7/21 requesting to add funds in the amount of \$152,026.50. The extension of the contract term will allow for continued support services to DWSD provided by the vendor.

Phoenix Environmental has no exclusions, current insurance and clearances expire 9/22/21. The vendor has re-applied and clearances are currently pending approval.

DWSD Procurement is recommending a conditional approval due to the vendor's clearances are pending approval. With the BOWC's conditional approval, DWSD Procurement will issue the relevant Purchase Orders

after this item has been favorably addressed. Per DWSD procurement protocol, no other approvals are required.

SUMMARY

A. Contract No.	6002328
B. Contractor:	Phoenix Environmental Inc.
C. Initial Contract Term:	9/1/2019 - 6/1/2021
D. Amendment No. 1 Extension:	6/2/2021 - 6/31/2022
E. Current Contract Amount:	\$304,053.00
F. Proposed Amendment No. 2 Amount:	\$152,025.50
G. Proposed New Total Contract Amount:	\$456,079.50
H. Funding Source:	O&M Funds
I. GL Strings:	5720-20169-484121-622900-000207-10790-0000-000000 - 100%

Proposed Contract No. 6002328 Amendment was presented to the BOWC Finance Subcommittee on October 6, 2021. Per DWSD procurement protocol, no other approvals are required.