



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0618, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract No. 6003895, with Ajax Paving Industries Inc. for the purchase and delivery of Cold Patch material at a cost not-to-exceed the amount of \$146,900 for a term of one (1) year.** The BOWC 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. 21-0618

Contract No. 6003895

Contractor: Ajax Paving Industries Inc., 1957 Crooks Rd Ste A, Troy, MI 48084

Total Contract Amount: \$146,900

Contract Term: 11/1/21 - 10/30/22 (1 year)

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. 6003895
Cold Patch (CP5) Material
Ajax Paving Industries Inc.

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 **DWSD Contract No. 6003895, with Ajax Paving Industries Inc. for the purchase and delivery of Cold Patch material at a cost not-to-exceed the amount of \$146,900 for a term of one (1) year.** The BOWC also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

Cold patch (specification #CP-5) is used year around by DWSD maintenance and repair teams to patch excavation holes on streets and sidewalks made by DWSD during repairs of water and sewer assets and similar service work orders. To support their work, DWSD's Materials Management team maintains a readily available supply at both the CSF and West Yard warehouses. Cold patch is bid out annually due to the volatile pricing of the product.

PROCUREMENT METHOD

This contract was initiated through Requisition # 489695, which was fully approved on 7/28/2020 and was procured through a Request for Bids (RFB) #489695, which was advertised on the Michigan Inter-Governmental Trade Network (MITN) website for 28 days (8/20/21 - 9/14/21). MITN published this opportunity to 75 companies and 11 firms downloaded the bid package.

One bid was received:

Bidder	Unit Price	Total Bid	Equalizations	Equal. Credits	Equal. Total Bid
Ajax Paving	\$113.00	\$146,900	N/A	N/A	\$146,900.00

Due to only receiving one bid, Procurement performed a low-bid inquiry by contacting vendors in the area that downloaded the documents on MITN but did not submit a bid. Also, Cadillac bought out Site Supply, which was the third supplier in the area that delivered cold patch. Therefore, there are no longer three suppliers that provide and deliver cold patch in the area.

Low-bid inquiry results:

- Ace Asphalt & Paving Company Inc. - does not deliver cold patch material/asphalt to Detroit area.
- Ace-Saginaw Paving Co/Saginaw Asphalt Paving - sells but does not deliver cold patch material.
- Bush Brothers Asphalt Paving Inc. - only provides cold patch material/asphalt if they are performing the repairs.
- Cadillac Asphalt - Could not bid because DWSD could not commit to a number of tons to deliver on each order. They have a minimum requirement for each delivery.
- Copeland Paving - only provides cold patch material/asphalt if they are performing the repairs.
- Edward C. Levy Co. - Supplies materials to asphalt companies that make asphalt, but does not sell asphalt outright.
- Michigan Asphalt Paving - only provides cold patch material/asphalt if they are performing repairs.
- Nagle Paving - sells cold patch material but does not deliver it, pick up only.
- Spartan Paving- only provides cold patch material/asphalt if they are performing the repairs.
- Spray-Patch Road Repair, Inc - Deal with spray injection repairs to parking lots, potholes, etc.

Based on the information above, it is recommended that the contract be awarded to the sole responsive and responsible bidder, Ajax Paving Industries Inc., for a term of one year and a total not-to-exceed amount of \$146,900.

Ajax Paving's clearances are approved through 1/19/22 and a formal contract is not required.

SUMMARY

- A. Contract No.: 6003895
- B. Contractor: Ajax Paving Industries, Inc.

- C. Contract Term: 11/1/21 - 10/30/22
- D. Contract Amount: \$146,900
- E. Funding Source: O&M Funds
- F. GL String(s): 5720-20276-487611-624115-001688-10732-0000-000000 - 100% Water
- G. Anticipated Projected Fiscal Year (FY) Expenditures:
- i. FY 21-22: \$97,933.33
 - ii. FY 22-23: \$48,966.67

This proposed contract was presented to the DWSD Finance Sub Committee on October 6, 2021. Per DWSD procurement protocol, no additional approvals are required.