



Detroit Water and Sewerage Department

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Legislation Text

File #: 2023-53, Version: 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve DWSD Single Source Contract 6005098 with Michigan CAT, a division of MacAllister Machinery Co., Inc., for the purchase of parts and preventative maintenance and repair services of Michigan CAT generators for all DWSD locations with a total contract amount not-to-exceed \$120,000 and a term of 3 years and 7 months.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of March 15, 2023

Item No.: 2023-53

Contract No.: 6005098

Contractor: Michigan CAT division of MacAllister Machinery Co., Inc.

Contractor Address: 19600 Dix Toledo Rd., Brownstown Charter Twp., MI 48183

Contract Amount: \$120,000.00

Term: 4/1/23 - 11/22/26 (3 years & 7 months) with a 1-year renewal option exercisable per Sourcewell's extension of cooperative contract #092222-CAT

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed DWSD Contract 6005098
For the purchase of parts and preventative maintenance and repair services of CAT generators
Michigan CAT division of MacAllister Machinery Co, Inc.

MOTION

Upon recommendation of Marqicha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve DWSD Single Source Contract 6005098 with Michigan CAT, a division of MacAllister Machinery Co., Inc., for the purchase of parts and preventative maintenance and repair services of Michigan CAT generators for all DWSD locations with a total contract amount not-to-exceed \$120,000 and a term of 3 years and 7 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 currently owns and operates two Caterpillar brand generators that were purchased in the early 2000's and are still in good working condition. The generators are for use at Central Services Facility (CSF) and the other to the Main Office Building (MOB) to provide emergency electrical power during outages.

Although the maintenance and repair service originate from a single source, Michigan CAT has extended Sourcewell cooperative pricing under Contract No. 092222-CAT to DWSD for the purchase of parts and preventative maintenance and repair services of Michigan CAT generators. This contract will cover all DWSD owned Michigan CAT generators as well as any new generator purchases should the need arise.

PROCUREMENT METHOD - SINGLE SOURCE

Requisition #503637 was submitted and approved on 1/20/23. Michigan CAT, a division of MacAllister Machinery Co., is the single provider for the purchase and maintenance repairs of Caterpillar brand equipment for the entire State of Michigan. The Exception to Competitive Solicitation (ECS) Form was approved on 1/19/23 by Director Brown.

DWSD Procurement Policy, Section (5) Exceptions to Competitive Bidding, (B) Sole Source Procurements, Competitive bidding is not required when there is only one source of supply available.

Although the maintenance and repairs are a single source, Michigan CAT has extended the Sourcewell cooperative pricing under Contract No. 092222-CAT, as a single source procurement in the amount of \$120,000 for a term of 4/1/23 - 11/22/26, with a one-year renewal option per Sourcewell's extension of the contract.

Michigan CAT's clearances expire on 3/10/23 and the terms and conditions of the Sourcewell Cooperative agreement will apply.

SUMMARY

A. Contract No:	6005098
B. Contract Term:	4/1/23 - 11/22/26 (3 years & 7 months) with a 1-year renewal option
C. Total Contract Amount:	\$120,000.00
D. Anticipated FY Spend:	
	FY 22-23: \$ 30,000.00
	FY 23-24: \$ 30,000.00
	FY 24-25: \$ 30,000.00
	FY 25-26: \$ 30,000.00
E. Funding Source:	O&M Funds
F. GL String:	
	5720-20167-482421-622300-000209-10743-0000-000000 - 47.1%
	5820-20178-492421-622300-000230-15962-0000-000000 - 52.9%

This proposed contract was presented to the BOWC Finance Subcommittee on March 1, 2023. Per DWSD procurement protocol, Mayoral approval will also be obtained.