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City of Detroit

CITY COUNCIL

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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: October 16, 2018

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached are the comments and review of the Legislative Policy Division regarding the contracts that were submitted by the Office of Contracting and Procurement for the regular session of October 16, 2018.

The contracts on the attached list were included on the City Council Agenda for referral to the Standing Committees.

The comments and review of the Legislative Policy Division staff are printed in bold following each contract.

Attachments

cc: Janice Winfrey City Clerk
Mark Lockridge Auditor General
Boysie Jackson Office of Contracting and Procurement
Irvin Corley Legislative Policy Division
Marcell Todd Legislative Policy Division
Stephanie Washington Mayor's Office

Contracts Submitted for City Council Session of
October 16, 2018

Statistics compiled for the Contracts submitted for the regular session of October 16, 2018.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
General Services 1 Contract for Park renovation	3	0	1 Amendment	1
Financial Services 1 Contract Withdrawn, approved previously	1	0	0	0
Innovation & Tech.	1	0	1 Amendment	1
Mayor's Office	1	0	0	0
Police 2 Contracts through MiDeal	2	0	0	0
Transportation	2	0	1 Amendment	1
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Totals 1 Contract Withdrawn	10	0 Detroit-Based	3 Amendments	3

Contract Submitted for City Council Session of
October 16, 2018

Statistics

Page 2

This list represents costs totaling \$ 7,950,505.50¹

Included in the total costs are the following:

General Fund	\$ 5,401,200.00
Capital Projects Fund	\$ 1,472,777.24
Grant Fund	\$ 335,000.00
Transportation Grant Fund	\$ 354,320.00
Transportation Operation Fund	\$ 387,208.26

¹ The contract list includes: 3 Amendments to extend the contract terms and/or increase funding; New contracts for 1 time purchases, and terms of 1 to 3 years.

TO: THE HONORABLE CITY COUNCIL

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: October 16, 2018

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION OF OCTOBER 16, 2018**

DEPARTMENT OF TRANSPORTATION

6000867 100% Federal Funding – AMEND 1 – To Provide a Transit Enterprise System for the Detroit Department of Transportation. – Contractor: Clever Devices – Location: 300 Crossways Park Drive, Woodbury, NY 11797 – Contract Period: Upon City Council Approval through October 30, 2022 – Contract Increase: \$354,320.00 – Total Contract Amount: \$8,003,448.00.

This Amendment is for an Increase of Funds Only.

Costs budgeted to Transportation Grants Fund, Acct. 5303-20287-201111-644100-0, Appropriation for FY 2015 Sec. 5307 includes available funding of \$41,646,456 as of Oct. 12, 2018.

This request is indicated to be for an increase of \$354,320 to a Contract total of \$8,003,448, with no change to the contract term, expiring October 30, 2022.

The contract was initially approved Sept. 26, 2017, for a term of 5 years, through Oct. 30, 2022, for a cost of \$8,513,704. Office of Contracting & Procurement submitted a correction memo, Oct. 16, 2018, showing the increase of \$354,320 to a Total Contract Amount of \$8,868,024.

The amendment also includes a change from a Bronze Router Plan, to a Gold Router Plan, which may be part of the price increase. Reasons for the Price increase were not specified.

The contract was approved to provide Upgrade or replacement of current ITS applications for: Planning system, Terminal Management, Computer-aided Dispatch/Automatic Vehicle locator, Customer Service applications, and the Radio System.

Contractor to provide program for educating, training and teaching personnel in all details of the installed equipment, to enable City personnel to operate, service, diagnose and maintain the equipment satisfactorily; Training also to include a plan for training the DDOT trainers.

Services includes providing and installing equipment of 320 coaches. Installation of equipment on the coaches was to be completed in December 2018.

System Acceptance and Year 1 Support to begin March 19, 2019 at \$605,712.56;

Year 2 and Year 3 System Support initially indicated to be \$201,904.19 per year.

Covenant of Equal Opportunity Affidavit signed 7-13-18;

TAXES: Good Through 8-1-19 and 1-31-19;

Hiring Policy Compliance Affidavit signed 7-13-18; indicating they do not inquire or consider criminal convictions of applicants for employment.

Slavery Era Records Disclosure Affidavit signed 7-13-18, indicating business established 1988, NO records to disclose;

Political Contributions and Expenditures Statement signed 7-13-18, indicating “None”.

Transportation Department - *continued*

6001552 100% City Funding – To Provide As - Needed Mechanical, Preventative Maintenance and HVAC System Work. – Contractor: Moore Brothers Plumbing Heating & Cooling – Location: 15870 Schaeffer Hwy, Detroit, MI 48227 – Contract Period: Upon City Council Approval through July 9, 2020 – Total Contract Amount: \$387,208.26.

Costs budgeted to Transportation Operations Fund, Acct. 5301-000149-200170-622200-000055-0, Appropriation for Plant Maintenance includes available funding of \$9,455,559 as of Oct. 12, 2018.

Bids solicited, from March 22 through April 9, 2018, for DDOT HVAC repair, replacement, and preventative maintenance; 3 Bids received and scored.

Bid requested rates for various skilled labor positions – Journeymen and Apprentice for each category; Electricians, Pipefitters, Plumbers, Millwrights, Boilermakers, and Welders.

Dept. of Transportation indicates they have a total budget, over the 2 year period, of \$774,416.52; the recommendation is to award 2 contracts to the highest scored vendors.

Contract 6001551 with Systemp Corp. was approved Sept. 25, 2018, for \$387,708.26 over the term of 2 years, through July 9, 2020.

This proposed contract is with the proposal scored 2nd highest from Moore Brothers.

Third bid received from Walker’s Heating and Cooling.

Services to include: ductwork, heating services, refrigeration and air conditioning, Hydronic heating, Cooling and process cooling. Personnel employed by vendor are required to have 5 years licensed working experience; only Journeyman level allowed to work on DDOT equipment with apprentice assistance; Supplies and materials.

Covenant of Equal Opportunity Affidavit signed 6-25-18;

TAXES: Good Through 9-17-19 and 1-31-19;

Hiring Policy Compliance Affidavit signed 6-25-18; Employment application submitted complies;

Slavery Era Records Disclosure Affidavit signed 6-25-18, indicating NO records to disclose;

Political Contributions and Expenditures Statement signed 6-25-18, indicating “None”.

DEPARTMENT OF INNOVATION AND TECHNOLOGY

6000435 100% City Funding – AMEND 1 – To Provide The Purchase and Maintenance of Network Equipment and the Installation of Network Drops, and Various Purchased Items. – Contractor: Groundwork 0 – Location: 2000 Brush St. 262, Detroit, MI 48226 – Contract Period: Upon City Council Approval through November 30, 2019 – Contract Increase: \$3,000,000.00 – Total Contract Amount: \$6,500,000.00.

This Amendment is for an Increase of Funds Only.

Costs budgeted to General Fund, Acct. 1000-00870-350800-622301-0, Appropriation for Centralized Utility Payment includes available funding of \$13,667,330 as of Oct. 12, 2018.

This request for Amendment 1 to the contract is for BOTH a contract increase of \$3,000,000 [to a total contract cost of \$6,500,000] and a 1 year extension of the contract term, through November 30, 2020. *Office of Contracting and Procurement submitted, on Oct. 15, 2018, a correction to the description provided, to show a Contract Period through November 30, 2020.*

This contract was initially approved the Week of Nov. 28, 2016, for a term of 3 years, through Nov. 30, 2019, for \$3,500,000 - estimated \$1,166,666.67 per year.

Contract provide the following with the purchase of all telecommunications equipment: Receive and inventory all equipment; Deliver equipment to specified locations; Unpack, inspect and inventory all network equipment; Manage the process for any equipment that is required to be returned; Maintenance services for voice and data equipment.

Personnel costs include Onsite technician at \$27.50 per hour; IT Network technician at \$110 per hour; Systems Engineer for \$110 per hour; services provided Saturdays/Sundays increases to \$125 per hour; Hardware maintenance for \$414,011 per year.

Covenant of Equal Opportunity Affidavit signed 7-31-18;

TAXES: Good Through 5-3-19 and 1-31-19;

Hiring Policy Compliance Affidavit signed 7-31-18; Employment application submitted complies;

Slavery Era Records Disclosure Affidavit signed 8-1-18, indicating NO records to disclose;

Political Contributions and Expenditures Statement signed 7-31-18, indicating “N/A”.

Earlier contract with Groundwork O, No. 2780852 approved for a term from Jan. 23, 2009 through Jan. 23, 2015 for a costs of \$4,000,000; Amendments 1 through 3, extended the contract term through Nov. 30, 2016, and increased the costs to a total of \$12,500,000.

GENERAL SERVICES

6001466 100% City Funding – AMEND 1 – To Provide New Underground Storage Tank Compliance Regulatory Testing Requirements. – Contractor: Phoenix Environmental, Inc. – Location: 12815 Premier Center Ct, Plymouth, MI 48170 – Contract Period: Upon City Council Approval through June, 1, 2021 – Contract Increase: \$151,200.00 – Total Contract Amount: \$361,200.00.

This Amendment is for an Increase of Funds Only.

Costs budgeted to General Fund, Acct. 1000-12153-470100-622300-006004-30105, Appropriation for Fleet Management includes available funding of \$8,405,876 as of October 12, 2018.

This request is for an Amendment 1 to increase contract costs by \$151,200 to a new contract total of \$361,200.

This contract was initially approved on July 3, 2018, for a 3-year term through June 1, 2021, for a total cost of \$210,000 - approx. \$70,000 per year.

Contract for services to include: Upgrade of existing fuel sites; site cleanup of spills or environmental issues; Perform tank and line tightness test; Perform tank cleaning and fuel filtration services. Services also include training to approx. 1600 City employees to ensure safe operations and compliance with State regulations.

This amendment appears to include NEW services to provide Underground Storage Tank Compliance with State regulations – 30-day and annual walkthrough inspection in addition to quarterly Class B Inspections per EPA: Fee is \$150 per visit; 48 visits per year for \$7,200 per tank; 4 GSD tanks for an annual cost of \$50,400 – over the term of 3 years is \$151,200.

This service and associated costs apparently were NOT included in the contact as initially approved.

**Covenant of Equal Opportunity Affidavit signed 5-29-18;
TAXES: Good Through 6-6-19 and 1-31-19;
Hiring Policy Compliance Affidavit signed 5-29-18; Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 5-29-18, indicating business established 1998,
NO records to disclose;
Political Contributions and Expenditures Statement signed 4-18-18, indicating “N/A”.**

General Services Department - *continued*

6001635 100% City Funding – To Provide HVAC and PM Services for the General Services Department. – Contractor: Systemp Corporation – Location: 3909 Industrial Drive, Rochester Hills, MI 48309 – Contract Period: Upon City Council Approval through September 17, 2021 – Total Contract Amount: \$2,250,000.00.

Costs budgeted to General Fund, Acct. 1000-11830-470010-622200-006004-30105, Appropriation for Facilities & Grounds Maintenance includes available funds of \$12,495,038 as of Oct. 12, 2018.

Bids solicited, from August 13 through August 24, 2018, for GSD Mechanical Services; 2 bids were received.

This recommendation is for a contract with the Lowest cost quoted by Systemp Corporation indicated - \$80 per hour for Refrigeration Operator and \$55 per hour for Operator Apprentice.

Second bid from Johnson Controls, Oak Park, quoted rates of \$115 per hour for Refrigeration Operator and \$60 per hour for Operator Apprentice.

The Scope of Work, states the objective of this contract is to provide additional support to the existing Mechanical Division. Work requests to be made when the size of the repair, or the number of repairs, exceeds the General Services Dept. Mechanical Division's abilities.

As Needed Mechanical work may include: HVAC systems, Boilers, Make-up units, Air-Handlers, VAV's Building/Niagra Control systems, Potential water treatment, Seasonal start-ups, Scheduled and preventative maintenance.

Existing contract, No. 6000528 with Systemp, was approved February 21, 2017, for a 3 year term, through Feb. 27, 2020, for a total cost of \$3,000,000 to provide mechanical/HVAC services; funding for this contract has been spent, which required putting in place a new contract.

City Council may wish to request a clarification of the differences between these 2 contracts and the requirement for both contracts.

**Covenant of Equal Opportunity Affidavit signed 12-15-16;
TAXES: Good Through 2-23-19 and 1-31-19;
Hiring Policy Compliance Affidavit signed 12-15-16; Statement submitted indicating vendor hires through the Union, do not use Employment Applications;
Slavery Era Records Disclosure Affidavit signed 12-15-16, indicating business established 1993, NO records to disclose;
Political Contributions and Expenditures Statement signed 7-9-18, indicating "None".**

General Services Department - continued

6001679 100% Federal Funding – To Provide Park Improvements to Dad Butler Park. – Contractor: WCI Contractors, Inc. – Location: 20210 Conner Street, Detroit, MI 48234 – Contract Period: Upon City Council Approval through October 6, 2019 – Total Contract Amount: \$135,000.00.

Costs budgeted to Block Grant Fund, Acct. 2001-13635-365004-651161-0-0, Appropriation for CDBG Dept. Allocations includes available funding of \$4,214,648 as of October 12, 2018.

Bids solicited for Improvements to O’Shea and Butler Parks; 2 bids were received and evaluated. The recommendation was to award the contract to the proposal scored the highest, received from WCI Contractors; based on the overall strength of the concept to the work to be done, and the previous project experience.

2nd Bid received from KEO & Associates.

Contract 6000895 for improvements to O’Shea Park for \$274,000 was approved January 16, 2018.

This proposed contract is for renovations to Dad Butler Park, using Block Grant funds; Use of CDBG funding requires the vendor comply with HUD Section 3 requirements for hiring local residents to complete contract services.

Services and costs include the following:

**Install asphalt walkways of 12,350 sq. feet for a cost of \$88,700;
Relocation of Soccer goals and backstays to new locations for cost of \$6,400;
Site restoration services of all areas disturbed by construction work – backfilling, reseeding, fertilizing and protecting fixed site improvements for \$5,300;**

**Additional costs include Mobilization for \$3,100; Bonds & Insurance for \$2,200;
Layout and Field survey costs of \$1,800; General Conditions for \$4,100;
Miscellaneous and Close-out costs of \$600; Contingency costs for \$22,800.**

**Covenant of Equal Opportunity Affidavit signed 2-27-18;
TAXES: Good Through 3-22-19 and 1-31-19;
Hiring Policy Compliance Affidavit signed 2-6-16; Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 12-6-16, indicating business established 1991, NO records to disclose;
Political Contributions and Expenditures Statement signed 9-21-18, indicating contributions to.**

MAYORS OFFICE

6001589 100% Grant Funding (The Knight Foundation, a Non- Governmental Organization) – To Provide the City of Detroit with Smart City Technology in Order to Fuse Together Existing Assets to Support and Enhance Long- Term Strategic Objective. – Contractor: AECOM Great Lakes Inc. – Location: 27777 Franklin Rd., Southfield, MI 48034 – Contract Period: Upon City Council Approval through October 15, 2019 – Total Contract Amount: \$200,000.00. Waiver of Reconsideration Requested

Costs budgeted to Grants Management Grant Fund, Acct. 2107-20410-311111-617900/628100-0-0, Appropriation for Smart City Grant includes NO available funding, \$200,000 has been encumbered

Proposals were solicited to implement a Smart City Strategy; 19 bids indicated to have been received; 4 Proposals were evaluated based on the following criteria: Quality of proposal, Capabilities of firm, Administrative and Operational Efficiency of proposal, Qualifications of Project staff, Cost of the proposal.

The proposal ranked the highest and recommended the contract is AECOM Great Lakes. Other 3 proposals that were evaluated, received from CitiFi, PWC, and Magellan.

Contract for Smart City initiatives to allow the City to utilize technology to fuse together existing assets to support and enhance long-term strategic objectives, including equitable connectivity and digital mobility of citizens, improved delivery of city services, enhanced operational efficiencies within city government, enhanced mobility throughout the city, improved health, safety and quality of life for residents. A strategic plan will guide the City in planning, procuring, implementing and managing current and future investments and resources in the deployment of smart technologies.

Contractor to assist the City with development of tools to define smart city benefits on a project basis, or a neighborhood basis, and to prioritize technologies and projects.

Identified subcontractors are West Corporation, and Detroit based VanDyke Horn.

12 Tasks and associated costs include: Schedule/Project Management for \$20,000; Assessment of current state for \$20,000; Asset Assessment for \$15,000; Communication/Stakeholder engagement plan for \$5,000; Community Engagement activities for \$35,000; Strategic plan for \$20,000; Roadmap for \$15,000; Risk Identification & Mitigation for \$15,000; Identifying opportunities and partnerships for \$5,000; Evaluation metrics for \$20,000; Third party engagement strategies for \$5,000; Framework for Data Governance & Security for \$25,000; Direct costs of \$7,000.

Covenant of Equal Opportunity Affidavit signed 3-1-18;

TAXES: Good Through 4-9-19 and 1-31-19;

Hiring Policy Compliance Affidavit signed 3-1-18; Employment application submitted complies;

Slavery Era Records Disclosure Affidavit signed 3-1-18, indicating business established 1904, NO records to disclose;

Political Contributions and Expenditures Statement signed 3-7-18, indicating “None”.

The Honorable City Council
Contracts Submitted for Regular Session of
October 16, 2018

Page 8

The following contract was submitted to City Council and Referred to Committee on May 22, 2018; Contract 3024691 with Assetworks was approved for a cost of \$281,000 on June 12, 2018.

Memo dated Oct. 15, 2018, from Office of Contracting and Procurement, requesting the withdrawal of this contract.

**OFFICE OF THE CHIEF FINANCIAL OFFICER - OFFICE OF DEPARTMENTAL
FINANCIAL SERVICES**

3024691 100% City Funding – To Provide Comprehensive Capital Asset Inventory and Management Software. – Contractor: Assetworks, LLC – Location: PO Box 202525, Dallas, TX 75320 – Contract Period: Upon City Council Approval through December 1, 2018 – Total Contract Amount: \$281,000.00.

POLICE

3027630 100% City Funding – To Provide Radios for the Detroit Police Department. –Contractor: Motorola Solutions, Inc. – Location: 2465 Riverside Drive #308, Trenton, MI 48183 – Contract Period: Upon City Council Approval through December 23, 2018 – Total Contract Amount: \$1,063,579.89.

Costs budgeted to Capital Projects Fund, Acct. 4533-20507-470100-644600-0-0, Appropriation for Capital Projects 2019 includes available funding of \$31,846,850 as of October 12, 2018.

This contract is indicated to be a Sole Source, through MiDeal, for the procurement of radios for Police and Transit vehicles.

The equipment details and pricing sheet indicates a total of 222 APX 6500 Mobile radio units at \$1,828.50 each; plus various required accessories and 3 year service agreement.

Radios for Transit vehicles is \$36,884.96; Radios for Police vehicles is \$1,026,394.33.

Covenant of Equal Opportunity Affidavit signed 6-12-18;

TAXES: Good Through 2-5-19 and 1-31-19;

Hiring Policy Compliance Affidavit signed 6-12-18; Employment application submitted complies; Slavery Era Records Disclosure Affidavit signed 6-12-18, indicating business established 1928, NO records to disclose;

Political Contributions and Expenditures Statement signed 6-12-18, indicating “None”.

Recent contracts with Motorola Solutions include:

3024486 for DDOT, to provide upgrade to Dispatch Consoles, for \$1,575,671, approved July 10, 2018;

3023529 for Police, to provide replacement portable radios for \$953,850, approved June 19, 2018;

3023528 for Police, for portable radios, equipment for Homeland Security, for \$26,682, approved May 22, 2018;

3022398, for Police, for Motorcycle radio equipment, for \$162,547.50, approved March 27, 2018;

3020709, Health/Animal Control, for radios, equipment for \$34,399.50, approved March 6, 2018;

6001186, for Fire Dept., for 73 mobile radios, for \$346,393.76, approved Feb. 6, 2018;

6000322, for Police, to maintain 800 Mhz Radio System, through June 2021, for \$11,868,220, approved Oct. 2016;

3015251, for Police and Fire, 216 mobile radios, for \$1,033,075, approved Sept. 2017.

Police Department - continued

3027637 100% City Funding – To Provide Computers for the Detroit Police Departments Transit Vehicles. – Contractor: Dell Computer Corporation – Location: One Dell Way, RR8-41, Round Rock, TX 78682 – Contract Period: Upon City Council Approval through December 7, 2018 – Total Contract Amount: \$409,197.35.

Costs budgeted to Capital Projects Fund, Acct. 4533-20507-470100-644600-0-0, Appropriation for Capital Projects 2019 includes available funding of \$31,846,850 as of October 12, 2018.

This contract is indicated to be a Sole Source, through MiDeal, for the procurement of in-car computers for Police and Traffic Police vehicles.

**Cost of Computers for Police vehicles is \$62,533.35;
Computers for Traffic Police vehicles is \$346,644**

**Covenant of Equal Opportunity Affidavit signed 2-12-18;
TAXES: Good Through 3-12-19 and 8-31-19;
Hiring Policy Compliance Affidavit signed 2-12-18; Employment application submitted complies;
Slavery Era Records Disclosure Affidavit signed 2-15-18, indicating business established 1984,
NO records to disclose;
Political Contributions and Expenditures Statement signed 2-21-18, indicating “None”.**

Previous contract with Dell Computer Corp. [No. 3015249] approved September 12, 2017 for a one-time purchase of 113 notebook computers, for the Fire Dept., for a total of \$288,037.