

David Whitaker, Esq.  
Director  
Irvin Corley, Jr.  
Executive Policy Manager  
Marcell R. Todd, Jr.  
Senior City Planner  
Janese Chapman  
Deputy Director

John Alexander  
LaKisha Barclift, Esq.  
Nur Barre  
M. Rory Bolger, Ph.D., FAICP  
Elizabeth Cabot, Esq.  
Tasha Cowan  
George Etheridge

**City of Detroit**  
**CITY COUNCIL**  
LEGISLATIVE POLICY DIVISION  
208 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Phone: (313) 224-4946 Fax: (313) 224-4336

Christopher Gulock, AICP  
Derrick Headd  
Marcel Hurt, Esq.  
Kimani Jeffrey  
Anne Marie Langan  
Jamie Murphy  
Kim Newby  
Analine Powers, Ph.D.  
Jennifer Reinhardt  
Rebecca Savage  
Sabrina Shockley  
Thomas Stephens, Esq.  
David Teeter  
Theresa Thomas  
Kathryn L. Underwood, MUP  
Ashley A. Wilson

TO: The Honorable City Council

FROM: David Whitaker, Director  
Legislative Policy Division Staff

DATE: July 7, 2020

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

Attached are the contracts that were submitted by the Office of Contracting and Procurement, for the City Council Session of July 7, 2020. This list includes the comments and review of the Legislative Policy Division.

The contracts on this list are also included on the City Council's Agenda for referral to the various standing Committees for review and report back to the City Council.

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           |
| Avery Peeples  | Mayor's Office                        |

Contracts Submitted to City Council  
for the Session of July 7, 2020

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Statistics compiled for the Contracts submitted for referral at the Session of July 7, 2020.

| <b>Department</b>   | <b>No. of Contracts or<br/>Purchase Orders</b> | <b>Detroit-Based<br/>Business Bids</b> | <b>Change, Extension<br/>Increases, Renewals</b> | <b>Located in<br/>Detroit</b> |
|---|--|--|--|-------------------------------|
| General Services<br>1 Building Management contract extension for 36 <sup>th</sup> Dist. Court | 1  | 0                                      | 1 Amendment                                      | 0                             |
| Health<br>1 Contract indicated to be with General Services                                    | 3  | 0                                      | 0  | 1                             |
| Housing & Revital.<br>1 Environmental services contract                                       | 2  | 0                                      | 0  | 2                             |
| Innovation & Techno.  | 1  | 0                                      | 1 Amendment                                      | 0                             |
| Law   | 2  | 0                                      | 2 Amendments                                     | 1                             |
| Water & Sewerage  | 2  | 0                                      | 1 Amendment                                      | 0                             |
| <b>Totals</b>   | <b>11</b>                                      | <b>0 Detroit-Based<br/>Bids</b>        | <b>5 Amendments</b>                              | <b>4</b>                      |

Contracts Submitted to City Council  
for the Session of July 7, 2020

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Statistics compiled for the Contracts submitted for referral at the Session of July 7, 2020.

This list represents costs totaling \$19,547,129.50<sup>1</sup>

Included in the total costs are the following:

|                        |    |               |
|------------------------|----|---------------|
| General Fund           | \$ | 0.00          |
| Capital Projects Fund  | \$ | 2,640,000.00  |
| COVID-19 Fund          | \$ | 1,062,000.00  |
| Grants Funds           | \$ | 308,856.50    |
| Water & Sewerage Funds | \$ | 15,536,273.00 |

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<sup>1</sup> The contract list includes: 5 Amendments to extend terms or add funding; 4 new Contracts that extend existing services for periods of 2 to 18 months; and 2 new contracts for terms of 5 and 20 years[funding for 3 years].

TO: THE HONORABLE CITY COUNCIL

FROM: David Whitaker, Director  
Legislative Policy Division Staff

DATE: July 7, 2020

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT  
THE FORMAL SESSION OF JULY 7, 2020.**

### **DoIT**

6002568 100% City Funding – AMEND 1 – To Provide an Increase of Funds to Supply IT Equipment to City Employees to Allow the Ability to Work Remotely Due to Covid-19. – Contractor: Sehi Computer Products, Inc. – Location: 2930 Bond Street, Rochester Hills, MI 48309 – Contract Period: December 11, 2019 through December 10, 2022 – Contract Increase Amount: \$2,640,000.00 – Total Contract Amount: \$5,280,000.00.

*Waiver of Reconsideration Requested Will Apply for Reimbursement from Federal COVID-19 Funding Source*

**Costs budgeted to Capital Projects Fund, Acct. 4533-20507-310010-617400-310007-0, Appropriation for 2019 Capital Projects includes available funds of \$38,812,583 as of July 2, 2020.**

**This request is for approval of Amendment 1 to the contract, increasing the costs by \$2,640,000, for a total Cost of \$5,280,000 over the 3-year term from December 2019 through Dec. 10, 2022; for the procurement of computer hardware and software, as needed. The proposed amendment does not change the contract period.**

*Contract 6002568, as corrected, was approved February 12, 2020, for the 3 year term, and a total cost of \$2,640,000.*

**The contract, as initially approved, provided for the purchase of 619 desktop computers, 388 laptops, 521 Monitors, 654 Imaging computers, 654 Staging computers, and 9 Workstations.**

**This increase is required due to the additional IT equipment that was required to enable City employees to work from home, during the COVID-19 pandemic.**

**All approved pricing for computer equipment appears to have remained the same, for this amendment to expand the number of computers acquired.**

*Affidavits and Clearances were not available for review*

## GENERAL SERVICES

6000121 100% City Funding – AMEND 5 – To Provide an Extension of Time Only for Facility Management Services to 36<sup>th</sup> District Court. – Contractor: Limbach Company, LLC – Location: 926 Featherstone Road, Pontiac, MI 48342 – Contract Period: July 1, 2020 through July 30, 2020 – Total Contract Amount: \$0.00. *Extension of Time Only.*  
*Previous Contract Period: July 1, 2016 through June 30, 2020 Total Contract Amount: \$5,234,101.04*  
*Waiver of Reconsideration Requested*

**Costs budgeted to General Fund, Acct. 1000-13351-472190-621900-0-0, Appropriation for 36<sup>th</sup> Dist.Court/ Madison Center includes available funds of \$574,326 as of July 2, 2020.**

**This request is for the approval of Amendment 5, to extend the contract period by 1 month, through July 31; there is no request to increase the contract cost of \$5,234,101.0.**

*This contract was initially approved June 28, 2016, for a term of 3 years, through June 2019, and a cost of \$3,392,577 to provide building management of the Madison Center / 36<sup>th</sup> Dist. Court.*

*The contract has been amended 4 previous times to extend the contract for an additional year, through June 2020, and increase the costs by \$1,841,524.04 for a contract total of \$5,234,101.04.*

**The most recent amendment, No. 4, was approved by City Council on June 16, 2020, for an extension of 2 months and an increase of \$334,241.04.**

**The new contract for management of the Madison Center, No. 6002793 with Jones Lange LaSalle, for a period of 1 year and a cost of \$1,479,842, was referred to the Neighborhood and Community Services Committee on June 30, 2020.**

**This amendment is required to ensure facility management services continue to be provided until the new contract is approved and the new vendor is in place.**

**Covenant of Equal Opportunity 5-19-20;**

**TAXES Good Through 3-13-21;**

**Hiring Policy Compliance Affidavit signed 5-19-20, Employment application submitted complies; Slavery Era, Prison Industry and Immigrant Detention System Records Affidavit signed 5-19-20 indicating NO records of investment, income or employment from these systems;**

**Political Contributions and Expenditures Statement signed 5-19-20, indicating “None”.**

## HEALTH

3042819 100% City Funding – To Provide a Continuation of Services for COVID-19 Medical, Call-Center and Animal Shelter Staffing for Various Agencies Citywide. – Contractor: Premier Staff Services – Location: 29481 Five Mile Road, Livonia, MI 48154 – Contract Period: June 1, 2020 through July 31, 2020 – Total Contract Amount: \$0.00.

*Extension of Time Only. Total Contract Amount: \$250,000.00*

*Waiver of Reconsideration Requested Will Apply for Reimbursement from Federal COVID-19 Funding Source*

**Costs budgeted to Capital Projects Fund, Acct. 4533-20785-358035-617900-35099-0-0, Appropriation for COVID-19 Response includes available funding of \$130,346,934 as of July 2, 2020.**

**This contract is for the additional staffing services required to provide City Services to citizens during the COVID-19 pandemic.**

**This contract was one of six contracts issued to Premier Staff Services [as indicated below]; according to the information provided above, it was issued for \$250,000. This request is to amend the Purchase Order to extend the term 2 months, from June 1 through July 31, 2020. There is no request to increase the contract cost of \$250,000.**

**Additional services were previously required for: Animal Shelter sanitation, Call Center Phone “Peps”, Nurses, Medical Assistants Mobile Bus sanitation, Building cleaning.**

**Covenant of Equal Opportunity 12-10-19;**

**TAXES Good Through 11-27-20;**

**Hiring Policy Compliance Affidavit signed 12-10-19, Online Employment application appears to comply;**

**Slavery Era Records Disclosure Affidavit signed 12-10-19, indicating business established 2013, NO records to disclose;**

**Political Contributions and Expenditures Statement signed 12-10-19, no donations indicated.**

**Vendor indicates a total of 6,078 registered employees; 4,048 are Detroit residents.**

***5 Previous Purchase Orders issued under emergency provisions March 19, 2020, with Premier Staff Services were: 3042819, 3042445, 3043014, 3042995 and 3043116, for a total of \$1,625,336, to provide Staffing Services to Health Dept. General Services, and Dept. of Transportation; Costs were indicated to be budgeted to General Fund, Appropriation 000068 for Health Dept. Administration; And Capital Projects Fund, Appropriation 20785 for COVID-19 Response.***

***Purchase Order 3043150 for \$30,000 issued April 1, 2020, for services to Health Dept. and budgeted to Appropriation 20785 for COVID-19 Response.***

**Health Dept. - continued**

3042921 100% City Funding – To Provide a Continuation of Services for COVID-19 Medical Staffing for Various Agencies Citywide. – Contractor: Arrow Strategies, LLC – Location: 27777 Franklin Road Suite 1200, Southfield, MI 48034 – Contract Period: June 1, 2020 through July 31, 2020 – Total Contract Amount: \$0.00.

*Extension of Time Only. Total Contract Amount: \$750,000.00*

*Waiver of Reconsideration Requested Will Apply for Reimbursement from Federal COVID-19 Funding Source*

**Costs budgeted to Capital Projects Fund, Acct. 4533-20785-358035-617900-35099-0-0, Appropriation for COVID-19 Response includes available funding of \$130,346,934 as of July 2, 2020.**

**This contract is for the additional staffing services required to provide City Services to citizens during the COVID-19 pandemic.**

**This contract was one of two Purchase Orders issued to Arrow Strategies [as indicated below]; according to the information provided above, it was issued for \$750,000. This request is to amend the Purchase Order to extend the term 2 months, from June 1 through July 31, 2020. There is no request to increase the contract cost of \$750,000.**

*City Council may note, according to the information previously submitted “Emergency Procurements Due to COVID 19”, the 2 Purchase Orders issued to Arrow Strategies was indicated to be a cost of \$659,000.*

**Additional services were previously required for Health Dept. for Medical Professionals.**

**Covenant of Equal Opportunity 6-15-20;**

**TAXES Good Through 5-6-21;**

**Hiring Policy Compliance Affidavit signed 6-15-20, Employment application submitted complies; Slavery Era, Prison Industry and Immigrant Detention System Records Affidavit signed 6-15-20, indicating no records of income, investment or employment from these systems to disclose;**

**Political Contributions and Expenditures Statement signed 5-7-20, indicating “N/A”.**

*Previous Purchase Orders 3042662 and 3042921 for total of \$659,000 with Arrow Strategies, previously, issued under emergency provisions, to provide Health Services; Costs were indicated to be budgeted to General Fund, Appropriation 000068 for ;  
And Capital Projects Fund, Appropriation 20785 for*

***This contract was submitted as a Health Department contract; According to the Office of Contracting and Procurement, Contract 3043976 should be under GENERAL SERVICES. It is anticipated the Office of Contracting and Procurement will prepare a correction.***

3043976      100% City Funding – To Provide a Continuation of Services for State Fair Grounds Patient Scheduling System and Support Staff. – Contractor: Rock Holdings, Inc. – Location: 1900 St. Antoine, Detroit, MI 48226 – Contract Period: July 1, 2020 through December 31, 2020 – Total Contract Amount: \$1,062,000.00.      *Waiver of Reconsideration Requested*  
*Will Apply for Reimbursement from Federal COVID-19 Funding Source*

***Account not provided in documents***

**This contract is recommended as a Non-Standard Purchase Order, for services that were not bid. According, to the vendor, Rock Holdings is the only vendor able to continue providing the services due to the specialized technology developed by Rock Holdings, and the specialized skills of the call center agents.**

**The technology for scheduling patients to receive testing, is able to adapt to changes in eligibility of those to be tested and required documentation; technology can be used to prioritized different sectors or groups of people to be tested [critical workers] through separate intake and dedicated testing slots; and Bulk-scheduled City workers and first responders outside of the normal call center process. This system is also using a proprietary call-center system, used by Rock Connections, to facilitate call intake, routing and data tracking.**

**According to the vendor, the Mayor requested assistance form the Rock Family of Companies to develop the technology and logistics to operate a drive-through COVID-19 testing site at the State Fairgrounds. Rock Connection set up the scheduling platform and donated services of 30 + call center agents to handle calls to schedule up to 1,500 appointments per day; At the peak agents were working 10 hours per day, 7 days per week. Rock had committee to providing these services for up to 8 weeks for free. The total value of donated services, equipment and overhead is estimated at nearly \$1,000,000. Services cannot continue to be donated.**

**This contract is for a period of 6 months, through December 2020, for a cost of \$1,062,000 for the continued operation of the Call Center for scheduling testing at the State Fairgrounds.**

***Affidavits and Tax Clearances not provided for Review***

**Vendor indicates a total of 1,057 employees; 254 employees are Detroit residents.**



## HOUSING AND REVITALIZATION

6002822 100% Grant Funding – To Provide Environmental Services for the Single Family Rehab Program. – Contractor: GS Group, LLC – Location: 17800 Woodward Avenue Suite 200, Detroit, MI 48203 – Contract Period: Upon City Council Approval through June 30, 2025 – Total Contract Amount: \$250,000.00.

**Costs budgeted to Grants Fund, Acct. 2108-20735-361111-617900-0-0, Appropriation for 2020 Lead Hazard Reduction grant includes available funding of \$9,686,783 as of July 2, 2020.**

**Proposals solicited; 3 Proposals received for services provided through the High Impact Neighborhood Grant. The Department recommended contracts with all 3 vendors submitting a proposal. Proposals were evaluated on: Number of Days to complete project; Capacity; Price.**

**This recommended contract is with GS Group, for a period of 5 years, and a cost of \$250,000.**

**Two additional contracts to be recommended with: Environmental Testing and Consulting for a 5-year period and cost of \$275,000 - rated the highest in all 3 categories; and Professional Service Industries for a 5-year period and cost of \$250,000 – submitted highest prices.**

**Environmental Services to include: Lead-based Paint inspections, 3-5 per week at \$550 each; Risk Assessments, 3 to 5 per week at \$825 each; Clearance Inspections, 3 to 5 per week at \$265 each; Testing dust for lead contamination, 3 to 5 per week at \$265 each; Soil sampling for lead contamination, 3 to 5 per week for \$175 for 3 samples; Asbestos Survey 2 to 3 per month for \$1,200 each; EBL Environmental Investigation, 3 per month for \$1,200 each.**

**Covenant of Equal Opportunity Affidavit signed 4-23-20;**

**Certification as a Detroit Based & Small Business good through 10-7-20;**

**Certification as a HUD Section 3 Business good through 1-10-23;**

**TAX Clearances *Not available for review*;**

**Hiring Policy Compliance Affidavit signed 4-23-20; Employment application *not available for review*;**

**Slavery Era, Prison Industry, & Immigrant Detention Centers Records Affidavit signed 4-24-20, indicating NO records of investment, income or hiring from any of these systems to disclose;**

**Political Contributions and Expenditures Statement signed 4-23-20, indicating “N/A”.**

***Previous contracts approved with GS Group: Contract 6002442 to provide environmental services for single family rehab. programs under the State Lead [CHIP] grant, approved Jan. 14, 2020, for 4 year period through Nov. 2023, for a cost of \$200,000; and***

***Contract 6002443 to provide environmental services for single family rehab. programs under the HUD Lead Hazard Reduction [LHR] grant, approved Jan. 14, 2020, for a 4-year term through Nov. 2023 for a cost of \$200,000.***

**Housing & Revitalization Dept. - *continued***

6002907      100% Grant Funding – To Provide Services to Complete Rehabilitation of the Building(s) Owned by Franklin Wright Settlements, Inc. at 3360 Charlevoix Street, Detroit, Michigan 48207 used as a Public Facility. – Contractor: Franklin Wright Settlements, Inc. – Location: 3360 Charlevoix, Detroit, MI 48207 – Contract Period: May 1, 2020 through February 28, 2022 – Total Contract Amount: \$58,856.50.

**Costs budgeted to Block Grant Fund, Acct. 2001-06514-360743-651161-0, Appropriation for Franklin Wright Building rehabilitation includes available funds of \$305,467 as of July 2, 2020.**

**Agency Project Coordinator is Mr. Ahmad Nassar.**

**This contract is indicated to be for the balance of the CDBG funding awarded to this Agency for the 2016-2017 fiscal year; \$100,000 was awarded, this contract for \$58,856.50 is indicated to be the balance that has not been spent. The \$100,000 was awarded for Public Facility rehabilitation to include: Floor replacement, lighting upgrades, electrical panel, new interior doors, ceilings and counters.**

**This proposed contract is indicated to include the following improvements: Grading, Concrete work, Landscaping, Connect downspout, Install galvanized pipe rail, Repair exposed block below grade, Parging, resurfacing foundation, in some areas, Painting, Restore playground to original condition before construction.**

**Contract costs are budgeted to include: Construction costs of \$53,056.50;  
Professional Consultant for \$5,800.**

**Covenant of Equal Opportunity Affidavit signed 4-24-19;  
TAXES Good Through 6-19-21;  
Hiring Policy Compliance Affidavit signed 4-24-19, Employment application submitted complies;  
Slavery Era Records Disclosure Affidavit signed 3-12-18, indicating Agency established 1881, NO records to disclose;  
Political Contributions and Expenditures Statement signed 6-10-20, indicating “N/A”.**

***Franklin Wright Settlements was also awarded a Public Facility Rehabilitation grant for the 2017-18 fiscal year, for \$200,000, for replacement of 2 boilers and electrical upgrades; City Council approved an extension of the contract – No. 6001467 - for the 2017-2018 grant award from Sept. 1, 2019 through February 21, 2021, Approved May 28, 2019.***

**LAW**

6001653      100% City Funding – AMEND 2 – To Provide an Extension of Time and Expand the Scope of Work for Legal Services Representing Police Officer Thomas Zberkot and Provide Litigation Services in Post-Verdict Proceedings and Appeal of Marvin Seales V City of Detroit. – Contractor: Plunkett & Cooney P.C. – Location: 150 West Jefferson Suite 800, Detroit, MI 48226 – Contract Period: January 1, 2021 through June 30, 2022 – Total Contract Amount: \$0.00.      Extension of Time Only.  
Previous Contract Period: Jan. 22, 2019 through Dec. 31, 2020      Total Contract Amount: \$550,000.00

**Costs budgeted to General Fund, Acct. 1000-00527-320010-613100-0-300119, Appropriation for Law Administration & Operations includes available funding of \$14,383,762 as of July 2, 2020.**

**This request is for approval of Amendment 2, to extend the contract period by 1 ½ years, from January 2021 through June 2022; Contract cost remains at the \$550,000 previously authorized.**

*Contract 6001653 was initially approved Sept. 25, 2018, for representation of the City and PO Thomas Zberkot, in an appeal of a \$3.5 million verdict against the City and the Officer;*

*Legal services also to be provided for the appeal of Marvin Seales v City of Detroit; the contract was approved for the period through December 2020, for a cost of \$300,000.*

*Amendment 1, approved March 12, 2019, increased the contract cost by \$250,000 to \$550,000; and added to the scope of services, litigation support for Ahmed, Mubarez v Ernest Wilson and City of Detroit.*

**This amendment 2 adds to the scope of services, litigation and appeal services in the wrongful incarceration case of Desmond Ricks, et al v David Pauch, et al.**

**The fee schedule for the Desmond Ricks case is: \$250 per hour for Sr. Appellate Partners; \$225 per hour for Partners; \$190 per hour for Associates and \$150 per hour for Paralegals.**

**Covenant of Equal Opportunity Affidavit signed 6-8-20;**

**TAXES Good Through 3-6-21;**

**Hiring Policy Compliance Affidavit signed 6-8-20, Employment application submitted complies; Slavery Era, Prison Industry, and Immigrant Detention System Records Affidavit signed 6-8-20, indicating NO records of investment, income or employment with any of these systems;**

**Political Contributions and Expenditures Statement signed 6-8-20 listing 10 donations of officers, shareholders and PAC from 2016 – 2019 - 8 to Mayor and 2 to a Council Member.**

**Law Dept. - continued**

6002070 100% City Funding – AMEND 1 – To Provide an Extension of Time and Expand the Scope of Work for Legal Services Representing Lawrence Garcia in Connection with the Attorney Grievance Commission. – Contractor: Collins Einhorn Farrell PC – Location: 4000 Town Center 9<sup>th</sup> Floor, Southfield, MI 48075 – Contract Period: July 1, 2020 through December 31, 2020 – Total Contract Amount: \$0.00. Extension of Time Only.  
Previous Contract Period: February 25, 2019 through June 30, 2020 Total Contract Amount: \$50,000.00

**Costs budgeted to General Fund, Acct. 1000-00527-320010-613100-0-300119, Appropriation for Law Administration & Operations includes available funding of \$14,383,762 as of July 2, 2020.**

**This request is for approval of Amendment 1, to extend the contract period by 6 months, from July 2020 through December 2020; Contract cost remains at the \$50,000 previously authorized.**

*Contract 6002070 was initially approved April 30, 2019, for representation of Lawrence Garcia with the Attorney Grievance Commission. The contract was approved for the period from Feb. 25, 2019 through June 30, 2020, for the cost of \$50,000*

**This amendment 1 adds to the scope of services, representation for Stanley L. de Jongh in connection with Attorney Grievance Commission File, 19-2466.**

**The fee schedule for services of Attorney Donald D. Campbell remains the same at \$325 per hour.**

**Covenant of Equal Opportunity Affidavit signed 2-14-20;  
TAXES Good Through 3-5-21;  
Hiring Policy Compliance Affidavit signed 2-14-20, Employment application submitted complies;  
Slavery Era, Prison Industry, and Immigrant Detention System Records Affidavit signed 2-14-20, indicating NO records of investment, income or employment with any of these systems;  
Political Contributions and Expenditures Statement signed 2-14-20 indicating “None”.**

## WATER AND SEWERAGE

6002757 100% Capital Improvement Funding – To Provide a Water SaveSource Warranty Replacement Program. – Contractor: Itron, Inc. – Location: 111 N Molter Road, Liberty Lake, Washington 99019 – Contract Period: August 1, 2020 through July 31, 2040 – Total Contract Amount: \$13,500,000.00. *Waiver of Reconsideration Requested*

**Costs budgeted to Water Distribution Fund, Acct. 5721-20244-487711-617900-900317-30129, Appropriation for Improvements & Extension includes available funds of \$20,329,416 as of July 2.**

**This proposed contract with Itron was negotiated with the vendor as the Sole Source for the required services and materials; the contract is for a term of 20 years, through July 31, 2040, and a cost of \$13,500,000; the costs are to be expended over next 3 fiscal years, through 2023.**

**In 2006, a contract was approved with Detroit Meter Partners for the replacement and installation of Automatic Meter Reading equipment; between 2007 and 2019, approximately 190,000 new meters were installed; the new meters included a radio frequency device called a Meter Interface Unit [MIU]. The MIU transmits the information on the meter to a “Cloud Server”, which allows DWSD to collect daily transmissions of the water meters. Itron was the subcontractor to Detroit Meter Partners, that manufactured the MIUs and the collector unit system referred to as Water SaveSource System.**

**Sept. 20, 2011, Contract 2844890 was approved with Itron for a maintenance agreement of hardware and software support for the Water SaveSource System for a 2-year period, through December 31, 2013 and a cost of \$854,807.44.**

**In March 2017, Itron notified DWSD that Water SaveSource system technology would no longer be supported in 2020; and the company would no longer manufacture component parts. According to information provided to Board of Water Commissioners, DWSD determined the best option was to take advantage of the current relationship with Itron and the latest meter reading technology to negotiate a new contract.**

**The new system, called Openway Riva System, is a cloud-based software, that is upgraded automatically; the vendor, Itron can maintain and manage the network more efficiently, which is estimated will be a cost savings of approximately \$700,000, over a 10-year period. Modules may be added later to enable remote shut-off and service line leak technology.**

**The Riva System technology may also be linked to underground water mains and pipes to provide updates on what may be occurring in the system such as low or high pressure, potential leaks, issues with sewer collection.**

**Riva technology may also be used for partnerships with other entities, to manage street lights, traffic control, security solutions, and potential internet ; broadband capabilities.**

Contract discussion continues on following page.

**Water and Sewerage - continued**

6002757 100% Capital Improvement Funding – To Provide a Water SaveSource Warranty Replacement Program. – Contractor: Itron, Inc. – Location: 111 N Molter Road, Liberty Lake, Washington 99019 – Contract Period: August 1, 2020 through July 31, 2040 – Total Contract Amount: \$13,500,000.00.

***Contract Discussion continues below:***

Through this proposed contract, Itron will manage the installation of 200,000 exterior replacement modules over an 18-month period; Priority in hiring will be Detroit residents. The Water and Sewerage Dept. has entered into a Memorandum of Understanding with Detroit Employment Solutions Corp. to train & pre-certify Detroit residents for employment.

Services include removal of current WSS infrastructure, and installation of new hardware components, for meter system; Itron services include 1 week, 40 hours, of specialized training on the installation, troubleshooting and field mitigation for the Connected Grid Router; a 2<sup>nd</sup> Week of onsite services will be used to ensure DWSD Field Workers are comfortable with real world scenarios of resolving communication problems that may occur.

**Module Installation prices are based on following assumptions:**

**No prevailing wages or requirements for use of union labor;**

**Customer communications materials including an initial customer notification letter and door hangers;**

**No work will be performed at locations where it is assumed damage will occur to customer's property without a damage waiver, and prior consent of the utility and / or the customer.**

**Projected expenditures include:**

|                   |                    |
|-------------------|--------------------|
| <b>FY 20 – 21</b> | <b>\$4,500,000</b> |
| <b>FY 21 – 22</b> | <b>\$4,500,000</b> |
| <b>FY 22 – 23</b> | <b>\$4,500,000</b> |

The 20-year term of the contract may be related to the warranties and manufacturer guarantees for the equipment and software.

**Approved by the Board of Water Commissioners on April 15, 2020.**

**Covenant of Equal Opportunity Affidavit signed 6-19-20;**

**TAXES Clearances not provided;**

**Hiring Policy Compliance Affidavit signed 6-19-20, Online Employment application appears to comply;**

**Slavery Era Records Disclosure Affidavit signed 6-19-20, indicating business established 1977, NO records to disclose;**

**Political Contributions and Expenditures Statement signed, No Date, No Donations identified.**

Vendor indicates a total Worldwide employment of 7,927; Currently have employees that are Detroit residents and contracts with 2 Detroit based businesses. For this project, the vendor has made it a priority to hire Detroit residents.

**Water & Sewerage Dept. - continued**

6002217 100% DWSD Funding – To Provide an Increase of Funds for HVAC Equipment, Parts, Repairs and Preventative Maintenance Services. – Contractor: Johnson Controls, Inc. – Location: 2875 Highway Meadow Circle, Auburn Hills, MI 48326 – Contract Period: Upon City Council Approval through June 30, 2022 – Contract Increase Amount: \$2,036,273 – Total Contract Amount: \$6,002,136. *Waiver of Reconsideration Requested*

**Costs budgeted to two accounts as follows:**

**\$1,018,136.50 budgeted to Water Distribution Fund, Acct. 5721-20244-487711-617900-900279-30129, Appropriation for Improvements & Extension includes available funds of \$20,329,416 as of July 2; and**

**\$1,018,136.50 budgeted to Sewage Disposal Fund, Acct. 5821-20243-497711-617900-900280-30129, Appropriation for Improvements & Extension includes available funds of \$9,849,736 as of July 2, 2020.**

**This request is for approval of Amendment 1, with Johnson Controls, increasing the contract costs by \$2,036,273 for a new total cost of \$6,002,136. There is no change to the Contract period, from June 18, 2019 through June 30, 2022.**

**This contract was initially awarded through the National Joint Powers Alliance, that offers competitive pricing to its member governmental agencies.**

**This contract with Johnson Controls was authorized by the Board of Water Commissioners to provide HVAC equipment, parts, repairs and preventative maintenance services for 3 year term.**

**Amendment 1 is required for: Replace and install 8 new HV roof top units on the Central Services Facility, current units installed 1984 -86 [34 to 36 years old], cost of replacement is \$1,875,887;**

**Replace and install 4 tube style heaters in the Truck Wash enclosure, that keep employees warm, and the water lines from freezing, Cost of replacement is \$31,560; and**

**Replacement of a roof top air compressor that is no longer operational, currently a rental unit is being used, installation of a new air compressor is \$128,826**

**Approved by the Board of Water Commissioners on June 17, 2020.**

**Covenant of Equal Opportunity 7-31-19;**

**TAXES Good Through 5-26-21;**

**Hiring Policy Compliance Affidavit signed 6-18-20, Online Employment application appears to comply;**

**Slavery Era Records Disclosure Affidavit signed 6-18-20, indicating business established 1885, NO records to disclose;**

**Political Contributions and Expenditures Statement signed 6-18-20, indicating “None”.**

**Vendor indicates a total of 135,000 employees; 3 employees are Detroit residents.**

**Contract 6001284 also approved with Johnson Controls, May 1, 2019, for a 1-year term, through March 31, 2020, and a cost of \$720,000; this contract was also awarded through the cooperative agreement with the National Joint Powers Alliance, to provide inventory, inspection and maintenance of fire alarms and fire suppression systems for General Services and Transportation Dept.;**

**Amendment 1 to this contract extended the contract period 1 year, through March 31, 2021, and increased costs by \$370,000 to \$1,090,000, was approved Week of Dec. 9, 2019.**