

**CITY OF DETROIT
AMENDMENT NO. 1
TO PROFESSIONAL SERVICES CONTRACT NO.: 6006368**

THIS AMENDMENT NO. 1 to Professional Services Contract No. 6006368 (the “Amendment”) is entered into by and between the CITY OF DETROIT, a Michigan municipal corporation, acting by and through its **Housing & Revitalization Department (HRD)** the “City”, and **MAJOR CONTRACTING GROUP, INC.,** a Profit Corporation with its principal place of business located at 12222 Greenfield, Detroit MI 48227 (the “Contractor”). The City and the Contractor may each be referred to herein as a “Party” or collectively as the “Parties” to this Amendment or the Contract (defined hereafter) as applicable.

WITNESSETH:

BASIC CONTRACT DETAILS:

☒ **Amend Contract Amount:**

Original Contract Amount is: \$3,000,000.00

Amount Added to Contract is: \$1,500,000.00

Total Amended Contract Amount is: \$4,500,000.00

☐ **Amend Contract Duration:**

Current Expiration Date: 11/07/2027

Amended Expiration Date: N/A

☒ **Amend Contract Terms and Conditions**

WHEREAS, the City has engaged the Contractor to provide certain services (the “Services”) to the City; and

WHEREAS, the City and the Contractor have previously entered into Professional Services Contract No. 6006368 (the “Contract”) in which the terms and conditions governing this subject engagement are contained; and

WHEREAS, it is the mutual desire of the Parties to amend the Contract as set out in detail in the following sections.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby severally acknowledged, the Parties agree that the Contract is hereby amended as follows.

1. AMENDMENT TO ORIGINAL CONTRACT DETAILS

1.01 (a) Section 7.01 of the Contract is hereby amended by deleting “3,000,000.00” therefrom and replacing the same with “4,500,000.00.”

1.02 The Attached “Exhibit A” is hereby incorporated by full text in its entirety and amended by appending immediately following the “Signature Page” of the original Contract document between the City of Detroit and the Contractor. Exhibit A appends language in accordance with FR-6489-N-01 “*Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantee*” which requires Liquidated Damages language to be added to all Contracts using CDBG funds to perform grant-supported activities pursuant to the Grant Agreement.

2. EFFECT OF AMENDED TERMS ON THE REMAINING PROVISIONS OF THE CONTRACT

2.01 With the exception of the revisions contained in this Amendment, all other terms, conditions, and covenants contained in the Contract shall remain in full force and effect as set forth in the Contract.

3. AMENDMENT AUTHORIZATION

3.01 This Amendment shall not become effective until:

- a) the Amendment has been approved by the required City departments;
- b) the Amendment has been authorized by resolution of the City Council, if applicable; and
- c) the Amendment has been signed by the City’s Chief Procurement Officer (together, the “Effective Date”).

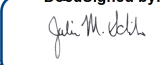
[Remainder of page intentionally left blank; signature page follows.]

**SIGNATURE PAGE
TO
AMENDMENT NO. 1**

IN WITNESS WHEREOF, the Parties, by and through their duly authorized officers and representatives, have executed this Amendment as of the dates shown below, to be effective as of the Effective Date:

CITY:

CITY OF DETROIT,
Housing and Revitalization Department (HRD)
a Michigan municipal corporation,

By: 
E17650515DAF4C9...

Name: Julie Schneider

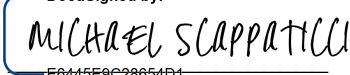
Title: Director

Date: 6/20/2025

 
Andrew Gaines Rico Razo

CONTRACTOR:

MAJOR CONTRACTING GROUP, INC.,
a Profit Corporation

By: 
E6445E9C28654D1...

Name: Michael Scappaticci

Title: President

Date: 6/16/2025

THIS AMENDMENT WAS APPROVED BY
THE CITY COUNCIL ON:

Date

APPROVED BY THE LAW DEPARTMENT
PURSUANT TO § 7.5-206 of the CHARTER
OF THE CITY OF DETROIT

APPROVED BY THE CHIEF
PROCUREMENT OFFICER

Corporation Counsel Date

Chief Procurement Officer Date

Prior to the approvals set forth in this Section, the Chief Procurement Officer shall not authorize any payments to the Contractor pursuant to this Amendment, nor shall the City incur any liability to pay for any services or to reimburse the Contractor for any expenditure authorized by this Amendment.

**THIS CONTRACT AMENDMENT IS NOT VALID OR AUTHORIZED UNTIL APPROVED
BY RESOLUTION OF THE CITY COUNCIL AND SIGNED BY THE CHIEF
PROCUREMENT OFFICER.**

EXHIBIT A

EXHIBIT A: SCOPE OF SERVICES

I. Notice to Proceed

The term of this Contract shall begin upon approval by the Detroit City Council, and shall continue for a term of three (3) years. The Contractor shall commence performance of this Contract upon receipt of a written “Notice to Proceed” from the City and in the manner specified in the Notice to Proceed.

II. Services to be Performed

A. Background/Description of Environment

The U.S. Department of Housing and Urban Development (HUD) has allocated the City of Detroit, through its Housing and Revitalization Department (HRD) \$95,228,000 in Community Development Block Grant – Disaster Recovery (CDBG-DR) funding to support long-term recovery efforts following storm events from the 2021 Presidential Major Disaster Declaration (federal disaster declaration FEMA #4607 - Michigan Severe Storms, Flooding and Tornadoes) with no matching requirements. These funds were allocated through the publication of the Federal Register, Vol. 87, No. 100, May 24, 2022, and 6368-N-01 January 18, 2023. The allocation was made available through the Disaster Relief Supplemental Appropriations Act Public Law 117-43 and 117-180. The CDBG-DR program funds necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization, and mitigation.

The City has developed an Action Plan that provides a framework for the expenditure of funds. The City of Detroit is expanding its basement flooding protection program to improve underground private lateral sewer lines through the CDBG-DR Private Sewer Repair Program (PSRP). The improvements alone cannot completely protect a home from basement flooding. With increasingly frequent and severe weather events related to climate change, it is essential that the City of Detroit seek the appropriate action to reduce the risk of basement flooding.

Contractor shall improve the sewer infrastructure for a minimum of 1,500 single-family homes as assigned in ninety-seven (97) eligible neighborhoods across all 7 City of Detroit Districts (listed below). “Single-family” is defined as a home with 1-4 units:

- **District 1:** Grandmont #1, Crary/St. Marys, Cadillac Community, Evergreen-Outer Drive, Hubbel-Lyndon
- **District 2:** Greenfield, Martin Park, Pilgrim Village, Dexter-Fenkell, Bethune Community
- **District 3:** Regent Park, Conant Gardens, Krainz Woods, Pulaski, Airport Sub, Hawthorne Park, Von Steuben, Grant, Mount Olivet, Cadillac Heights, Pershing, Franklin, Conner Creek, Sherwood
- **District 4:** Cornerstone Village, Morningside, Chandler Park, Fox Creek, Riverbend, West End, LaSalle College Park, East English Village, Yorkshire Woods, Denby, Mapleridge, East Canfield, Eden Gardens, Wade, Ravendale, Gratiot-Findlay, Outer Drive-Hayes, Moross Morang, Chandler Park-Chalmers, Fox Creek
- **District 5:** Arden Park, Islandview, Petosky-Otsego, Boston Edison, McDougall-Hunt, Pingree Park, East Village, NW Goldberg, Forest Park, Eastern Market, Gratiot Town/Kettering, Poletown East, Jamison, LaSalle Gardens, Wildemere Park, Medbury Park, Milwaukee Junction, Historic Atkinson, North End, Dexter-Linwood, Gratiot Woods, Gratiot Grand, Greektown
- **District 6:** Midwest, Chadsey-Condon, Claytown, North Corktown, Michigan-Martin, Corktown, Core City
- **District 7:** Aviation Sub, Garden View, Plymouth-I96, Plymouth-Hubbell, Paveway, We Care Community, Fiskhorn, Joy Schaefer, Warrendale, Warren Ave Community, Barton-McFarland, Franklin Park, Oakman Blvd Community, Nardin Park, Russell Woods, Joy Community,

Southfield Plymouth, Pride Area Community, Happy Homes, Northwest Community, Littlefield Community, Grand River-I96, Davison-Schoolcraft, Chalfonte

- **District 6:** Midwest, Chadsey-Condon, Clayton, North Corktown, Michigan-Martin
- **District 7:** Aviation Sub, Garden View, Plymouth-I96, Plymouth-Hubbell, Paveway, We Care Community, Fiskhorn, Joy-Schaefer, Warrendale, Warren Ave Community, Barton-McFarland

B. Performance Requirements

Contractors shall provide for licensed plumbers, or master plumbers to provide installed/constructed cost for implementation of one or more of the work items described below to reduce basement backup and flooding. Review Attachment Exhibit E - Cross Cutting Federal Regulations that explains the tasks that are required below and the instructions on pricing by unit.

C. Private Sewer Repair Program (PSRP) are separated into three (3) job tasks:

1. Outside Sewer Lateral Work Only

- Clean and inspect of private lateral sewer from home to the point of connection with the public sewer (not the alley right of way line)
- Repair or replace private lateral sewer and install cleanout
- Install backflow water valve on private lateral sewer
- Restore disturbed surfaces with finished concrete, paint ready drywall, or seed/soil as applicable.

2. Inside Work Only

- Install backflow water valve and sump pump with sump pump overflow
- Disconnect downspout and install extension, where possible to a proper place of disposal. Extension shall be at least 3 feet from the building foundation.
- Install sump pump overflow to discharge outside to surface (applies to existing sump pumps only) where there is a backflow water valve existing on the sanitary line.
- Restore disturbed surfaces with finished concrete, paint ready drywall, or seed/soil as applicable.

3. Inside Work and Outside Lateral Work

- Clean and inspect of private lateral sewer from home to the point of connection with the public sewer (not the alley right of way line)
- Repair or replace private lateral sewer and install cleanout
- Install backflow water valve on private lateral sewer
- Install backflow water valve and sump pump with sump pump overflow
- Disconnect downspout and install extension, where possible to a proper place of disposal. Extension shall be at least 3 feet from the building foundation.
- Install sump pump overflow to discharge outside to surface (applies to existing sump pumps only) where there is a backflow water valve existing on the sanitary line.
- Restore disturbed surfaces with finished concrete, paint ready drywall, or seed/soil as applicable.

4. All contractors shall be registered with the City of Detroit Buildings Safety Engineering and Environmental Department. With the proper documentation this is done in the office, at the Coleman A. Young Municipal Center, 2 Woodward Ave. Room 408. An appointment is required and can be made at <https://detroitmi.gov/departments/buildings-safety-engineering->

[and-environmental-department](#)

5. The Following documentation shall be maintained, current, and available for City inspection at any time:
 - Driver License, (if the Master is a different person than the contractor, both Driver's Licenses are required)
 - Master Plumbers License issued by the State of Michigan
 - Plumbing Contractors License issued by the State of Michigan

D. HUD's FR-6489-N-01 Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees

The Universal Notice specifically, section III.B.7.a.2. which states in part that “The grantee (or procuring entity) must incorporate performance requirements and liquidated damages into each procured contract.”

1. Liquidated Damages

- The Contractor shall pay to the City, as liquidated damages, one hundred dollars (\$100) for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of one thousand dollars (\$1,000.00) established in this agreement between the City and Contractor, in accordance with this Exhibit: A Scope of Services and Performance Requirements.
- Said sum, in view of the difficulty of accurately ascertaining the loss with which City will suffer by reason of delay in the completion of the Work hereunder, is hereby fixed and agreed as the liquidated damages that the City will suffer by reason of such delay.
- Liquidated Damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the City's right to indemnification, or the contractor's obligation to indemnify the City pursuant to this contract, or to any other remedy provided for in this contract or by law.
- Liquidated Damages may be assessed at the sole discretion of the City. For the purposes of applying and calculating such liquidated damages, a grace period of ten (10) business days shall be observed.
- The City may deduct and retain out of the monies which may become due hereunder, the amount of any such Liquidated Damages; and in case the amount which may become due hereunder shall be less than the amount of Liquidated Damages due to the City per the above formula above, the Contractor shall be liable to pay the difference.