

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

LaKisha Barclift, Esq.
M. Rory Bolger, Ph.D., AICP
Elizabeth Cabot, Esq.
Tasha Cowen
Richard Drumb
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

Deborah Goldstein
Christopher Gulock, AICP
Derrick Headd
Marcel Hurt, Esq.
Kimani Jeffrey
Anne Marie Langan
Jamie Murphy
Carolyn Nelson
Kim Newby
Analine Powers, Ph.D.
Jennifer Reinhardt
Sabrina Shockley
Thomas Stephens, Esq.
David Teeter
Theresa Thomas
Kathryn Lynch Underwood
Ashley Wilson

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: October 7, 2019

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

Attached are the contracts that were submitted by the Office of Contracting and Procurement, for the regular session of October 8, 2019. This list includes the comments and review of the Legislative Policy Division.

The contracts included on this list were referred to the Standing Committees for their 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
Mark Lockridge
Boysie Jackson
Irvin Corley
Marcell Todd
Stephanie Washington

City Clerk
Auditor General
Office of Contracting and Procurement
Legislative Policy Division
Legislative Policy Division
Mayor's Office

Contracts Submitted to City Council
 Regular Session of October 8, 2019

Statistics compiled for the Contracts submitted in the list for October 8, 2019.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Housing & Revitaliz. 1 Demolition contract – <i>previously submitted</i>	0	0	0	0
Police 1 Extension to Lease Agreement	1	0	1 Amendment	0
Recreation 1 Revenue agreement for space in NW Activities Cntr.	1	0	0	1
Transportation	1	0	0	1
<hr/>				
Totals	3	0 Detroit-Based Bids	1 Amendment	2

This list represents costs totaling \$ 466,410.00¹
 Revenue for 5-year Lease Agreement of \$1,179,900

Included in the total costs are the following:

General Fund	\$ 0.00
Drug Law Enforcement Fund	\$ 393,300.00
Transportation Fund	\$ 73,110.00

¹ The contract list includes: 1 Amendment to increase cost and extend time period; 2 Contracts terms of 2 years & 5 years.
 1 Demolition contract included that was previously submitted.

TO: The HONORABLE CITY COUNCIL

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: October 7, 2019

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION OF OCTOBER 8, 2019**

RECREATION

6002370 REVENUE – To Provide a Lease Agreement for 19,665 Square Feet of Space at Northwest Activity Center to Provide a Type 1 Career Center. – Contractor: Detroit Employment Solutions Corporation – Location: 440 E Congress, Detroit, MI, 48216 – Contract Period: Upon City Council Approval through August 16, 2024 – Total Contract Amount: \$1,179,900.00.

Revenue Account is not provided in the documents;

Previous Account provided for this lease was General Fund, Acct. 1000-13990-472200-626430-006004-30105, Appropriation for Gen. Services Restructuring, includes available funding of \$16,857,950 as of October 4, 2019.

This proposed contract is for a term of 5 years, beginning on the date of approval by the City Council. The tenant [Detroit Employment Solutions Corp.] to pay the City \$19,665 per month.

The lease is for 19,665 square feet of space in Northwest Activities Center, for the annual rate of \$12 per square foot; Annual cost of \$235,980

The City is responsible for all janitorial services, and general maintenance services; the lease payments also include costs of Water & Sewerage, Gas, and Electric.

Covenant of Equal Opportunity Affidavit signed 3-20-19;

Political Contributions and Expenditures Statement signed 2-26-19, identifying 25 donations, 2016 through 2018, from Board members and officers to: Mayor, 6 Council Members, candidates for City Clerk and Charter Commission.

Affidavits and clearances are not required for contracts with other “City Affiliate” organizations.

The previous lease with Detroit Employment Solutions Corp, No. 6000854, was approved October 21, 2013 for a period of 3 years, through Oct. 31, 2016 for a cost of \$231,715 per year [\$19,305.58 per month], for the operation of a full service One Stop Employment Center.

This contract was amended 4 times: Amd. 1 reduced the amount of space leased to a total of 20,875 [at \$11 per sq. foot] for a payment of \$19,135.41; Amendments 2 through 4 extended the lease, through June 30, 2019, and increased the total lease payments for the 5 ½ years to \$1,307,478.28.

TRANSPORTATION

~~6002395~~ 100% City Funding – To Provide Bus Schedules for the City of Detroit’s Department of
6002425 Transportation. – Contractor: Accuform Printing & Graphics, Inc. – Location: 7231
Southfield Road, Detroit, MI 48228 – Contract Period: Upon City Council Approval
through October 10, 2021 – Total Contract Amount: \$ 73,110.10.

Costs budgeted to Transportation Operation Fund, Acct. 5301-00146-200110-626100-0-0, Appropriation for Department operations includes available funds of \$17,264,460 as of Oct. 4, 2019.

Please note: The Office of Contracting and Procurement has submitted a correction to this proposed contract, to change the Contract number to 6002425

Bids were solicited, from September 9 through September 12, 2019, for the printing of color Bus Schedules; 2 Bids received.

This recommendation is for the Lowest bid received from Accuform Printing & Graphics, for a period of 2 years, and a cost of \$73,110.10.

Second bid received from AVE Office Supplies for \$1,516,120.

The bid and required services specify a variety of bus schedules, based on size. All of the schedules fold to a 3.5 inch by 7.5 inch; all are double sided; and all use 2 colors – black and another color. Schedules range from 3 panels wide to 6 panels [6 sizes and panel configurations]

Bus schedules are produced up to 4 times per year; Requests for printing may be for up to 60 different schedules - total requested will be based on route modifications, additions or eliminations.

The initial order is indicated to be a total of 544,000 copies of all schedules; re-orders estimated to be 68,000 copies.

Costs range from: \$0.0599 each for the 3 panel wide by 1 panel high; to \$0.16 each for 6 panel wide by 2 panels high.

Covenant of Equal Opportunity Affidavit signed 9-13-19;

TAXES: Good Through 9-12-20 and 1-31-20;

Hiring Policy Compliance Affidavit signed 9-13-19, Employment application submitted complies; Slavery Era Records Disclosure Affidavit signed 9-13-19, indicating business established 1969, NO records to disclose;

Political Contributions and Expenditures Statement signed 9-13-19, indicating “N/A.”

The most recent contract for printed bus schedules, No. 2874881, also with Accuform Printing & Graphics, was approved, Feb. 12, 2013, for a term of 1 year, through January 2014, for a cost of \$51,829.10; and renewed for an additional year through Jan. 2015 for \$45,914.55, for a total of \$91,829.

POLICE

2555944 100% City Funding – To Provide a Lease Agreement for a Property Located at 14655 Dexter, Detroit, MI 48238, for the Police Department. Lease Term from Original Date of December 31, 2018 to an Extended Date through December 31, 2019. – Contractor: Bishop Real Estate, LLC – Location: 30078 Schoenherr Suite 150, Warren, MI, 48088 – Contract Period: Upon City Council Approval through December 31, 2019, and then Month To Month Thereafter – Contract Amount: \$393,300.00

Costs budgeted to Drug Law Enforcement Fund, Acct. 2601-00648-370760-626430-0-0, Appropriation for Enhanced Drug Enforcement includes available funds of \$2,302,338 as of Oct. 4.

This request is for approval of an amendment to extend the term of this lease for 1 year, through December 31, 2019, for an additional cost of \$393,300.

This is for the lease of property located at 14655 Dexter; the leased property includes 34,200 square feet of rentable space – used to calculate the rental cost; space also includes use of an indoor garage, of approximately 9,594 square feet, which has not been included in the calculation of the rent.

The cost for this extension is indicated to be \$37,050 per month [\$13 per sq. foot] for a 12-month total of \$444,600.

This lease was initially approved August 3, 2001, for a term of 10 years, through Oct. 31, 2011, for a cost of \$478,800 per year [at \$14 per square foot] for a total cost of \$4,788,000. This space was leased to house the Police Personnel, Recruiting, Firearms Inventory, and Firearms repair.

Amendment 1 increased the total costs by \$1,593,323, extended the term through October 2016, and modified the costs to reduce the cost per square foot from \$14 to \$11.50; and also provided the owner would construct a garage over the existing parking lot and install an electronic fence around the property.

Amendment 3, approved the Week of Dec. 19, 2016, extended the term 2 additional years, through December 31, 2018, and increased the total contract cost to \$8,122,775.

According to information provided by the Police Dept., the extension of this lease is necessary until the City completes the purchase of property at 1200 Oakman that will replace this lease at 14655 Dexter.

Covenant of Equal Opportunity Affidavit signed 11-29-18;

TAXES: Good Through 12-17-19 and 1-31-20;

Political Contributions and Expenditures Statement signed 11-29-18, indicating 2 donations to Mayor in 2015 & 2016.

Mayor Duggan also disclosed, the owner of Bishop Real Estate is a former brother-in-law.

Hiring Policy and Slavery Era Records Disclosure affidavits are not required with Lease Agreements.

The Honorable City Council
Contracts submitted for City Council Session of
October 8, 2019

Page 4

**COMPLETED EMERGENCY DEMOLITION CONTRACTS
FOR CITY COUNCIL REVIEW**

HOUSING AND REVITALIZATION

3037258 100% City Funding – To Provide an Emergency Demolition for Residential Property, 9695 Bessemore. – Contractor: DMC Consultants, Inc. – Location: 13500 Foley, Detroit, MI 48227 – Contract Period: Upon City Council Approval through October 1, 2020 – Total Contract Amount: \$17,400.00.

This contract was submitted and referred on October 1, 2019; Contract 3037258 with DMC Consultants is also Line Item No. 21 on the New Business Agenda, as a report from the Public Health and Safety Committee for a vote of the City Council.