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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: June 2, 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 June 2, 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 Peoples | Mayor's Office |

Contracts Submitted to City Council
for the Session of June 2, 2020

Statistics compiled for the Contracts submitted for referral at the Session of June 2, 2020.

| Department | No. of Contracts or Purchase Orders | Detroit-Based Business Bids | Change, Extension Increases, Renewals | Located in Detroit |
|--|--|--|--|-------------------------------|
| General Services | 1 | 0 | 0 | 0 |
| Housing & Revital. 1 Affordable Housing Agreement | 3 | 0 | 2 Amendments | 2 |
| Human Resources | 1 | 0 | 0 | 0 |
| Innov. & Technol. | 1 | 0 | 0 | 0 |
| Transportation | 1 | 0 | 0 | 0 |
| Totals | 7 | 0 Detroit-Based Bids | 2 Amendments | 2 |

This list represents costs totaling \$ 1,935,202.30¹

Included in the total costs are the following:

| | |
|-------------------------------|----------------|
| General Fund | \$ 840,260.30 |
| Grant Fund | \$1,068,764.00 |
| Transportation Operation Fund | \$ 26,178.00 |

¹ The contract list includes: 2 Amendments to increase costs and extend terms; 4 Contracts for terms of 2 and 3 years; and an Affordable Housing Residential Agreement, for a minimum of 12 years.

TO: THE HONORABLE CITY COUNCIL

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: June 1, 2020

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION JUNE 2, 2020.**

DoIT

6002767 100% City Funding – To Provide Cherwell Support Services to the Department of Innovation and Technology. – Contractor: Avante Solutions – Location: 728 W Jackson Boulevard Suite 105, Chicago, IL 60661 – Contract Period: Upon City Council Approval through May 14, 2023 – Total Contract Amount: \$675,000.00.

Costs budgeted to

No Information or documents provided for this contract

Covenant of Equal Opportunity Affidavit signed

TAXES: Good Through

Hiring Policy Compliance Affidavit signed

Slavery Era, Prison Industry and Immigrant Detention Center records Affidavit signed

Political Contributions and Expenditures Statement signed

GENERAL SERVICES

6002762 100% City Funding – To Provide Locks, Lock Parts and Key Blanks to the General Services Department. – Contractor: IDN Hardware Sales, Inc. – Location: 33865 Capitol Avenue, Livonia, MI 48150 – Contract Period: Upon City Council Approval through May 2, 2022 – Total Contract Amount: \$72,524.30.

Costs budgeted to General Fund, Acct. 1000-11830-470010-621900-0-0, Appropriation for Facilities and Grounds Maintenance includes available funding of \$4,420,367 as of May 29, 2020.

Bids solicited, and due by March 2, 2020; 2 Bids received.

This recommendation is with the Lowest bid submitted by IDN Hardware Sales for bid of \$72,524.30 on a sample list and quantity of specified products.

Second bid by from AVE Office Supplies for \$75,406.30 [eligible for 4% equalization for comparison bid of \$72,390.05]. However, the bid from AVE Office Supplies could not be considered, do not have a warehouse where items can be purchased, as specified.

IDN Hardware Sales is recommended, based on their 40% discount, from the manufacturer's price list, and a warehouse location to purchase supplies.

AVE Office Supplies bid a 2% discount from the manufacturer's price list.

The recommended contract, for a term of 2 years, is for locks, lock parts and keys, as needed.

Covenant of Equal Opportunity Affidavit signed 5-14-20;

TAXES: Good Through 3-26-21;

Hiring Policy Compliance Affidavit signed 5-14-20, Employment application submitted complies; Slavery Era, Prison Industry and Immigrant Detention Center records Affidavit signed 5-14-20, indicating NO records to disclose of investment, employment or profit from these systems.

Political Contributions and Expenditures Statement signed 2-27-20, indicating "None."

Previous contract, No 6001759 with Independent Hardware, approved November 2018, to provide Locks, Lock parts, and Keys as needed, for a 1year period through November 2019, for a cost of \$50,000 [discounts from manufacturers' price lists range from 57% to 65%].

HOUSING AND REVITALIZATION

6000438 100% Grant Funding – AMEND 4 – To Provide an Increase of Funds and an Extension of Time for Administrative and Implementation Services for the City's 0% Interest Home Repair Loan Program within the City of Detroit. – Contractor: Local Initiatives Support Corporation – Location: 660 Woodward Avenue Suite 1600, Detroit, MI 48226 – Contract Period: July 1, 2020 through June 30, 2021 – Contract Increase Amount: \$991,764.00 – Total Contract Amount: \$12,243,000.00.

Previous Contract Period: January 1, 2019 through June 30, 2020

Costs budgeted to Block Grant Fund, Acct. 2001-13609-364067-651159-0-0, Appropriation for Housing Rehabilitation includes available funds of \$112,273; Encumbered funds of \$4,505,233 as of May 29, 2020.

The additional funding is indicated to be CDBG funding from the 2019-20 fiscal year.

This request is for approval of Amendment 4, to extend the contract 1 year, through June 30, 2021, and increase the costs by \$991,754 for a new contract total of \$12,243,000.

This contract is for the administration and implementation of the 0% interest Home Repair Loan Program. This amended contract is indicated to address 696 single family homes [*an increase of 56 from the 640 homes indicated with Amendment 3*]; The balance of required funding, raised privately by LISC is \$7,707,292 [*an increase of \$700,000, from what was reported with Amendment 3*].

The \$991,764 increase is indicated to be budgeted to: Loan Capital for \$700,000; Program implementation costs of \$95,322; CDFI Loan Administration Fee of \$140,000; Indirect costs of LISC for \$56,442.

This contract was initially approved [Contract 2900808] on Nov. 25, 2014, for a 2-year term, through Dec. 2016, for block grant funding of \$6,600,000 [matched by \$4,000,000 in private loans and grant funding of \$1,063,292] to support 300 loans.

The contract was resubmitted, as Contract 6000438, and approved Nov. 22, 2016, extend the term 2 years, through December 2018, and increasing Block Grant funding by \$3,000,000 to \$9,600,000.

Amendment 1 required to include amended language required by HUD;

Amendment 2, approved Feb. 12, 2019, extended the contract 1 year through Dec. 2019, and increased funding by \$220,000 to \$9,820,000;

Amendment 3, approved in October 2019, increased the amount by \$1,431,236 to a total of \$11,251,236

Covenant of Equal Opportunity Affidavit signed 6-27-18;

TAXES: Good Through 10-3-20 and 8-31-20;

Hiring Policy Compliance Affidavit signed 6-27-18, statement submitted indicating require a Resume and Cover letter, do not use application forms;

Slavery Era Records Disclosure Affidavit signed 6-27-18, indicating NO records to disclose;

Political Contributions and Expenditures Statement signed 9-27-19, indicating “None.”

Housing & Revitalization Dept. - *continued*

6002005 100% Federal Funding – AMEND 1 – To Provide an Increase of Funds and an Extension of Time for Construction Management Services for the City of Detroit's Housing and Revitalization Department's 0% Interest Home Repair Loan Program. – Contractor: GS Group, LLC – Location: 17800 Woodward Avenue Suite 200, Detroit, MI, 48203 – Contract Period: July 1, 2020 through June 30, 2021 – Contract Increase Amount: \$77,000.00 – Total Contract Amount: \$577,000.00. Previous Contract Period: May 6, 2019 through June 30, 2020

Costs budgeted to Block Grant Fund, Acct. 2001-13609-364067-651159-0-0, Appropriation for Housing Rehabilitation includes available funds of \$112,273; Encumbered funds of \$4,505,233 as of May 29, 2020.

The additional funding of \$77,000 is indicated to be from the CDBG for 2019-20 fiscal year.

This request is for approval of Amendment 1, to extend the term of this contract by 1 year, through June 2021, and increase the costs by \$77,000 to a contract total of \$577,000.

This contract is for construction management services for HRD's 0% Interest Home Repair Loan program; GS Group is responsible for ensuring all home repair projects are completed timely, within scope and budget. Services include: Initial inspections to determine conditions; Inspection for lead paint and risk assessment; prepare work specifications; Conduct final construction inspection.

Contract 6002005 was approved with GS Group, on April 30, 2019, for the period of 1 year, and costs of \$500,000. GS Group was recommended following a request for bids.

Billing for services, reported with initial contract appear to remain unchanged and include: Initial inspection at \$600 per unit; Lead-based paint inspection & risk assessment for \$800 /unit; Prepare work specifications and cost estimate for \$750 per unit; Bid walk-through and collect bids for \$700 per unit; Prepare and secure Lead-based paint clearance for \$250 per unit; and Resolve work issues, process change orders at \$750 per unit.

**Covenant of Equal Opportunity Affidavit signed 4-23-20;
TAXES: Good Through 4-28-21;
Hiring Policy Compliance Affidavit signed 4-23-20, Employment application submitted complies;
Slavery Era, Prison Industry, and Immigrant Detention Centers records disclosure Affidavit signed 4-24-20, indicating NO records of investment, employment or profits in these systems;
Political Contributions and Expenditures Statement signed 4-23-20, indicating "N/A."**

Housing & Revitalization Dept. - *continued*

6002644 0% Funding – To Provide an Affordable Residential Housing Agreement that includes Dwelling Units that are Affordable for Households with Incomes of 80% or Less of Area Median Income. – Contractor: CCA Lafayette Park LLC – Location: 31700 Middlebelt Road Suite 140, Farmington Hills, MI, 48334 – Contract Period: January 1, 2020 through December 31, 2049 – Total Contract Amount: \$0.00.

There are No costs or revenue associated with this contract.

City Council is requested to approve this Affordable Residential Housing Agreement, that includes certain affordable housing requirements for current and future residents at the residential apartment building, owned by CCA Lafayette Park, at 670 Chene.

The developer received an OPRA tax abatement from the City in September 2019. HRD negotiated with the developer certain affordable housing requirements, before authorizing the OPRA to move forward.

The Affordable Housing Agreement requires that for a period of 12 years, 40 units must be leased to families with 80% AMA or less at affordable rates;

Included within those 40 units, 19 are reserved for current fixed income residents, to enable them to remain in the apartment building, in renovated units, at a protected rent amount, for as long as they want to remain in the building [not limited to 12 years].

For current residents with 60% AMI or less, rent will be greater of \$931 [65% AMI for Wayne Co.], or 30% of monthly income;

For current residents with 80% AMI or less, rent will be greater amount of \$1,069 or 30% of household monthly income;

For fixed income residents, initial lease rent in renovated units will be greater amount of \$65 or 30% of household monthly income.

City Council consideration and approval of this Affordable Housing Agreement will ensure the Agreement is part of the public record, since this will not be recorded with the Registrar of Deeds.

According to Housing & Revitalization, this proposed Agreement was particularly important to ensure the existing fixed income residents would be protected, and not displaced by the renovation of the apartment units in this building.

This is not a contract for goods or services; it was determined that affidavits and clearances would not be required.

HUMAN RESOURCES

6002860 100% City Funding – To Provide Family Medical Leave Act (FMLA) Software to the City of Detroit’s Human Resources Department. – Contractor: Presagia Corporation – Location: 651 Notre Dame St. West Suite 400, Montreal, Quebec, Canada H3C 1H9 – Contract Period: Upon City Council Approval through June 14, 2022 – Total Contract Amount: \$92,736.00.

Costs budgeted to

No Information available

Covenant of Equal Opportunity Affidavit signed

TAXES: Good Through

Hiring Policy Compliance Affidavit signed

Slavery Era, Prison Industry and Immigrant Detention Center records Affidavit signed

Political Contributions and Expenditures Statement signed

TRANSPORTATION

6002715 100% City Funding – To Provide Windshield Washer Fluid to the City of Detroit’s Department of Transportation. – Contractor: Rowley Brothers, Inc. dba Rowleys Wholesale – Location: 15555 Noecker Way, Southgate, MI 48195 – Contract Period: Upon City Council Approval through February 28, 2022 – Total Contract Amount: \$26,178.00

Costs budgeted to Transportation Operation Fund, Acct. 5301-00150-200290-621600-0-0, Appropriation for Vehicle Maintenance includes available funding of \$3,195,026 as of May 29, 2020.

Bids solicited, from August 19 through September 9, 2019; 5 Bids received.

This recommendation is for the Lowest Bid received from Rowley Brothers, Inc. for a unit cost of \$87.26 for the purchase of a 55-gallon tote, of Windshield Washer Fluid.

This contract is proposed for a period of 2 years, and the purchase of 300 55-gallon totes for a cost of \$26,178.

Other Bids received include: Vesco Oil, Southfield, for \$89.65 per tote; Lyden Oil, of Shelby Township, for \$90.75 per tote; Shrader Tire & Oil, of Toledo, for \$102.50 per tote; and AVE Office Supplies, of Southfield and Detroit, for \$393 per tote.

**Covenant of Equal Opportunity Affidavit signed 4-10-19;
TAXES: Good Through 1-28-21;
Hiring Policy Compliance Affidavit signed 4-10-19, Employment application submitted complies;
Slavery Era, Prison Industry and Immigrant Detention Center records Affidavit signed 3-4-20, indicating NO records of investment, employment or profit with any of these systems;
Political Contributions and Expenditures Statement signed 4-10-19, indicating “None.”**