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Civil Rights & Equal Opportunity Department
Economic Equity & Inclusion
Request for Modification/Substitution Approval Form

Date: 5/22/2025
Form Prepared By: J Driskell

Contract/Project Number: 1277-2/60810049	Project Name: City-Wide Cleaning, CCTV Inspection and Manhole Locating and Opening for OCP Project
Owning Department: Water Services - SSP	Project Manager: Jocob Groh

Funding: ☑ City ☐ State ☐ Federal ☐ CO-OP ☐ Grant: ☐ Other:
Project Requirements: ☑ M/WBE ☐ DBE ☐ Section 3 ☐ N/A
Tax Incentive: ☐ LCRA ☐ TIF ☐ PIEA ☑ N/A ☐ Other:

Developer/Prime: Ace Pipe Cleaning Inc	Address: 6601 Universale Ave, KCMO 64120
Contact: Mark Calvert	Phone: 800-325-9372
Contact Email: mcalvert@acepipe.com	Fax:

Contract Type:
☐ Construction ☐ Design-Build ☐ Design Professional ☑ Professional Services
☐ General Service ☐ Concession ☐ Other Goods & Services ☐ Non-Municipal Agency
☐ Co-Operative ☐ Revenue Sharing ☐ Facilities Maintenance/Repair/Renovation
☐ Other:

Reason for Modification/Substitution Request:

Please see Good Faith Effort memo attached to the RFM. Requesting an adjustment in Goals from 15% MBE and 10 WBE% to 5% MBE and 20% WBE. Overall 25% goals will still be met.

CONTRACT SUMMARY*	
Original Contract Maximum Obligation:	$ 1,500,000.00
Amendment/Change Order No. 1:	$ 0.00
Amendment/Change Order No. 2:	$
Amendment/Change Order No. 3:	$
Amendment/Change Order No. 4:	$
Amendment/Change Order No. 5:	$
Current Maximum Obligation:	$
Proposed Amendment/Change Order No.	$ 0.00
Proposed Revised Contract Maximum Obligation:	$ 1,500,000.00

This document is submitted with all available facts. Intentionally falsifying this document or omitting pertinent facts is grounds for disciplinary action pursuant to KCMO Human Resources Rules & Policy Manual (eff. August 4, 2014).

FOR CIVIL RIGHTS & EQUAL OPPORTUNITY DEPARTMENT (CREO) USE ONLY:

The Request for Modification/Substitution is:

☒ Approved ☐ Disapproved

5 % MBE	20 % WBE	% DBE

The Request for Good Faith Efforts Waiver is:

☒ Approved	☐ Disapproved	☐ Not Applicable
RFM/S Affidavit Attached?	☐ Yes	☐ No

CREO Signature: DocuSigned by: Rebeca Arreguin-Hogan 1C5032A12EB3471... Date: 6/4/2025

*The CONTRACT SUMMARY information should match information and calculations gathered and computed on the Contract Amendment or Change Order Preparation Checklist. The Checklist forms are found on Contract Central.

MEMORANDUM

Date: June 4, 2025

To: CREO KC Department Director Jaime Guillen

From: Rebeca Amezcua-Hogan, Civil Rights Specialist

Subject: RFM Approval Request from: Water Services / Ace Pipe Cleaning Inc

Project: City-Wide Cleaning, CCTV Inspection and Manhole Locating and Opening for OCP Project

Project #: 1277-2/60810049

Contract Amount: $ 1,500,000.00

Background:
Goals for the project were approved at 15% MBE and 10% WBE on 11/23/2015. CREO KC approved a CUP from Ace Pipe Cleaning Inc on 4/19/2026 with participation of 15% MBE and 10% WBE. This is the second renewal, which was approved on 2/1/2023. Current participation is as follows:

MBE:

Elite Root Control, LLC (Pipeline Inspection / Sewer Cleaning and Rodding Services) – $195,000.00 or 13%

H & S & Sons L.L.C (Pipeline Inspection / Sewer Cleaning and Rodding Services) – $15,000.00 or 1%

SE3, LLC (Pipeline Inspection) – $30,000.00 or 2%

Total MBE participation of $240,000.00 out of $1,500,000.00 for 16% MBE.

WBE:

She Digs It, LLC (Utility Line Construction / Sewer Cleaning and Rodding Services) - $150,000.00

Total WBE participation of $150,000.00 out of $1,500,000.00 for 10% WBE.

Request for Modification:

The prime contractor is requesting a modification of the amount of MBE/WBE participation currently listed on the approved CUP from 15% MBE and 10% WBE to 5% MBE and 20% WBE. The prime states that the MBE subs have not been responsive and have not completed the amount of work assigned to them.

Elite Root Control (MBE)

-Assigned 100K of small diameter CL & CCTV on 11/24/2024. As of 5/21/2025 they have only completed 32K.

SE3 (MBE)

-Assigned 100K of small diameter CL & CCTV on 11/24/2024. As of 5/21/2025 they have only completed 6K.

For perspective purposes, APC also assigned SDI (WBE) 100K of small diameter CL & CCTV on 11/24/2024. They had completed 91K of CL & TV as of 3/10/2025. During this early March period, APC and SDI halted production on the contract to allow for the MBE's to have plenty of remaining contract funds to meet the participation requirements. This lack of production is beginning to create concerns for contract deadlines.

As a Good Faith Effort, the prime contractor has increased the amount of work performed by She Digs It, LLC. She Digs It, LLC's participation on the CUP was for $150,000.00 at 10% WBE. To date, this subcontractor has performed $280,588.56 – doubling their participation to 22%.

Additionally, SE3 LLC is being replaced with SE3 Group LLC. SE3 LLC did not perform any work on this contract and CREO has received a letter from SE3 LLC stating that they are aware of their removal and are in agree with the prime regarding this action. CREO has also received an LOI for SE3 Group, LLC.

H & S & Sons L.L.C's participation has also increased from 1% to 2%. An updated LOI has been provided.

If approved, participation on the CUP will be changed as follows:

MBE:

Elite Root Control, LLC (Pipeline Inspection / Sewer Cleaning and Rodding Services) – *current participation at 2.3%*

H & S & Sons L.L.C (Pipeline Inspection / Sewer Cleaning and Rodding Services) – 2%

SE3 Group, LLC (Pipeline Inspection) – 1%

Total MBE participation 5% MBE.

WBE:

She Digs It, LLC (Utility Line Construction / Sewer Cleaning and Rodding Services) – *current participation at 22%*

Total WBE participation of 20% WBE

Recommendations:

CREO KC recommends that the prime contractor's Request for Modification to change the participation listed on the approved CUP from 15% MBE and 10% WBE to 5% MBE and 20% WBE be approved. The prime contractor does appear to have made Good Faith Efforts by doubling their WBE participation. Additionally, there isn't much availability as there are only a few certified firms that can perform CCTV inspections. All available MBE's are currently on the contract and have been unresponsive.

The figures in B2G are not the most up to date figures but the prime has been paid $1,291,591.18. The prime reports the following MBE/WBE payments:

MBE: $30,621.00 @ 2% and WBE: $$280,588.56 @ 22% MBE.

Notes:

Original Contract Amount:	$1,500,000.00
Current Contract Amount:	$1,500,000.00

According to B2G, the prime contractor is currently achieving the following participation on the contract:

Dollars paid to prime contractor by City to date: $1,291,591.18
Dollars paid to MBEs by prime contractor to date: $30,621.00 for 2% MBE.
Dollars paid to WBE by the prime contractor to date: $280,588.56 for 22% WBE.

REQUEST FOR MODIFICATION OR SUBSTITUTION

*(This Form **must** be submitted to CREO KC to request substitutions for an MBE/WBE listed in the Contractor Utilization Plan or for modification of the amount of MBE/WBE participation listed in the Contractor Utilization Plan. This Form shall be an amendment to the Contractor Utilization Plan.)*

BIDDER/PROPOSER/CONTRACTOR: Ace Pipe Cleaning Inc.
ADDRESS: 6601 Universale Ave KCMO 64120
PROJECT NUMBER OR TITLE: 60810049 City-Wide Cleaning, CCTV Inspection and Manhole Locating and Opening for OCP Project
AMENDMENT/CHANGE ORDER NO: (if applicable) _____

Project Goals:	15 % MBE	10 % WBE
Contractor Utilization Plan:	5 % MBE	20 % WBE

1. I am the duly authorized representative of the above Bidder/Contractor/Proposer and am authorized to request this substitution or modification on behalf of the Bidder/Contractor/Proposer.

2. I hereby request that the Director of CREO KC recommend or approve: (check appropriate space(s))

   a. ☐ A substitution of the certified MBE/WBE firm _____, *(Name of new firm)*
   to perform _____, *(Scope of work to be performed by new firm)*
   for the MBE/WBE firm _____ which is currently *(Name of old firm)*
   listed on the Bidder's/Contractor's/Proposer's Contractor Utilization Plan to
   perform the following scope of work: _____. *(Scope of work of old firm)*

   b. ☑ A modification of the amount of MBE/WBE participation currently listed on the Bidder's/Contractor's/Proposer's Contractor Utilization Plan from
   15 % MBE 10 % WBE *(Fill in % of MBE/WBE Participation currently listed on Contractor Utilization Plan)*
   TO
   5 % MBE 20 % WBE *(Fill in New % of MBE/WBE Participation requested for Contractor Utilization Plan)*

   c. Attach 00450.01 Letter of Intent to Subcontract letter for each new MBE/WBE to be added.
   d. Attach a copy of the most recent 00485.01 or on-line M/WBE Monthly Utilization Report

3. Bidder/Contractor/Proposer states that a substitution or modification is necessary because: (check applicable reason(s))

☑ The MBE/WBE listed on the Contractor Utilization Plan is non-responsive or cannot perform.

☐ The MBE/WBE listed on the Contractor Utilization Plan has increased its previously quoted price without a corresponding change in the scope of work.

☐ The MBE/WBE listed on the Contractor Utilization Plan has committed a material default or breach of its contract.

☑ Requirements of the scope of work of the contract have changed and make subcontracting not feasible or not feasible at the levels required by the goals established for the contract.

☐ The MBE/WBE listed on the Contractor Utilization Plan is unacceptable to the City contracting department.

☑ Bidder/Contractor/Proposer has not attempted intentionally to evade the requirements of the Act and it is in the best interests of the City to allow a modification or substitution.

4. The following is a narrative summary of the Bidder's/Contractor's/Proposer's good faith efforts exhausted in attempts to substitute the MBE/WBE firm named above which is currently listed on the Contractor Utilization Plan with other qualified, certified MBE/WBE firms for the listed scope of work or any other scope of work in the project:

   Please see attached Good Faith Effort memo that explains why the reduction in MBE is requested.

5. Bidder/Proposer/Contractor will present documentation when requested by the City to evidence its good faith efforts.

Dated: 5/22/25

Ace Pipe Cleaning, Inc.
(Bidder/Proposer/Contractor)

By: Ben Vast
(Authorized Representative)

Ace Pipe Cleaning, Inc
Kansas City, Ft. Worth, San Antonio, Nashville, St. Louis, Hayden AZ

The Environmental Protection Specialist

6601 Universal Ave
Kansas City, Missouri 64120-1330
Tel: (816) 241-2891
Fax: (816) 241-5054
Watts: (800) 325-9372

MBE/WBE Good Faith Efforts

Project Number: CN1277-2

Project Name: 60810049 – CITY-WIDE SEWER LINE CLEANING, CLOSED CIRCUIT TELEVISION (CCTV) INSPECTION, AND MANHOLE LOCATING AND OPENING FOR OVERFLOW CONTROL

- Elite Root Control (MBE)
  - Assigned 100K lf. of small diameter CL & CCTV on 11/24/2024. As of 5/21/2025 they have only completed 32K lf.
    - Efforts by APC to assist Elite
      - Multiple hours of tech assistance to help with CCTV repairs and software issues.
      - APC is providing early payment to Elite even though APC has not received payment for the completed work.
      - APC continually communicates with Elite regarding lack of production on this project.

- SE3 (MBE)
  - Assigned 100K lf. of small diameter CL & CCTV on 11/24/2024. As of 5/21/2025 they have only completed 6K lf.
    - Efforts by APC to Assist SE3.
      - 40+ hours of tech assistance to help with CCTV repairs and software issues with their equipment.
      - 40+ hours of equipment operation training and guidance in the field.
      - APC continually communicates with SE3 regarding lack of production on this project.
      - APC frequently has to reject work performed by SE3 due to not following SSP project protocols they have been instructed about multiple times.

For perspective purposes, APC also assigned SDI (WBE) 100K lf. of small diameter CL & CCTV on 11/24/2024. They had completed 91K lf. of CL & TV as of 3/10/2025. During this early March period, APC and SDI halted production on the contract to allow for the MBE's to have plenty of remaining contract funds to meet the participation requirements. This lack of production is beginning to create concerns for contract deadlines.

Sincerely,
Mark Calvert – Operations Manager