



Marqaicha Welch
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TO: The Honorable Board of Water Commissioners
Detroit Water and Sewerage Department
City of Detroit, Michigan

FROM: Marqaicha Welch,
Procurement Manager
Detroit Water and Sewerage Department

RE: DWSD RFB #542476 – Response to Bid Protest from LGC Global Inc, Managing Venturer
and on Behalf of LGC-Detroit Grounds Crew, JV, dated 4/6/2026

DATE: April 15, 2026

DWSD Procurement received a bid protest regarding Request for Bids (RFB) #542476, for LEAD WATER SERVICE LINE REPLACEMENT, via email on Monday, April 6, 2026.

LGC Global Inc, managing venturer and on behalf of LGC-Detroit Grounds Crew, JV is protesting the Official Bid Tab and notice of intent to award published by DWSD Procurement on 3/31/2026. The recommended award presents DMC Consultants, Inc. as the lowest equalized responsive bidder.

LGC Global Inc's bid protest contends that their bid was not given the mandated six-percent equalization credits, as a Joint Venture submission, and further, had they been given those credits, they would have been declared the lowest equalized bidder and the potential contract awardee. LGC Global Inc.'s protest lacks overall merit, although they are correct that their bid was not given the required equalization credit.

DWSD Procurement reviewed the bid-protest and agrees that the Joint Venture equalization credits were not applied as indicated in LGC Global Inc's bid protest letter. Nevertheless, further evaluation by procurement indicates that applying the six-percent equalization credit to LGC Global Inc.'s bid does not alter the original intent to award and does not place LGC Global Inc. in a position to win award of the project.

In its protest, LGC Global, Inc. references DWSD Procurement Policy sections 7.6.3 and 7.6.4.5, which provides an overview of Equalization Credits and Applying Equalization (Multiple) Credits. LGC Global, Inc. contends that they should have received the Joint Venture Equalization credits in addition to the other equalization credits. In other words, they seek to "stack" the other equalization credits with the Joint Venture credit. DWSD has never stacked Joint Venture credits with other equalization credits, and such a process would run counter to prior BOWC presentations and approvals.

On April 17, 2023, prior to the BOWC's consent approval for the new DWSD Procurement Policy, a Special Finance Committee Session was held. This session provided three workshop reviews to discuss and provide clarity around all the changes within the Procurement Policy. Session 3, specifically address "Equalization Credits." Page six of the presentation clearly declares "stacking credits"- *Joint Ventures and Mentor Ventures cannot be stacked with any other certifications*. These Special Finance Committee meetings were publicly held, and all documents are accessible by the public. The highlight of the Joint and Mentor Venture equalization credits was greatly increased in comparison to our previous Procurement Policy, with an inference

to encourage more partner/mentor Detroit Certified Businesses vs. using them as subcontractors. DWSD increased equalization credits in this area from a range of 0.5% -1% up to the current range of 5% - 9%.

DWSD has executed three prior contracts as joint ventures since the adoption of the new Procurement Policy (June 2023), where there is evidence to support no stacking for Joint / Mentor Venture partnerships beyond the 5%-9% credits.

A revised Official Tab has been drafted to reflect the mandated 6% joint venture credit equalization credits consistent with LGC Global Inc's bid protest. That Official Tab will be published upon review and consent from the Board of Water Commissioners, as this bid protest does not alter the intent to award the contract to DMC Consultants, Inc., as the lowest equalized bidder for this project.

Therefore, DWSD Procurement requests the Board of Water Commissioners to accept the bid protest in part by applying the Joint Venture equalization credits, and, reject bid protest in part by finding that stacking Joint Venture with other equalization credits is contrary to DWSD policy and practice.

Mw

cc: Gary Brown, Director
Mohammad Farhat, Chief Engineer
Scott MacGriff, General Counsel and Chief Compliance Officer