



# Detroit Water and Sewerage Department

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## Legislation Text

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**File #: 2024-102, Version: 1**

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The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contracts 6006337 with Five Star Energy Services LLC, 6006338 with Inner City Contracting, and 6006339 with WT Stevens; for Full Lead Service Line Replacements at Various Locations Throughout Detroit (Project WS-739); for a combined total contract amount not-to-exceed \$5,000,000.00 (100% reimbursable via ERP/ WINN Grant Funding) and a term of one year.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

**Agenda of June 18, 2024**

**Item No. 2024-102**

**Terms of ALL Contracts: 7/1/24 - 6/30/25 (1 year)**

**Combined Total Not-to-Exceed Amount of ALL 3 Contracts: \$5,000,000.00**

**Contract No.:** 6006337  
**Contractor:** Five Star Energy Services, LLC.  
**Address:** 1581 E. Racine Ave., Waukesha, WI 53186  
**Contract Amount:** \$2,000,000.00

**Contract No.:** 6006338  
**Contractor:** Inner City Contracting  
**Address:** 18715 Grand River Avenue, Detroit, MI 48223  
**Contract Amount:** \$1,000,000.00

**Contract No.:** 6006339  
**Contractor:** WT Stevens  
**Address:** 2727 Second Avenue, Suite 105, Detroit, MI 48201  
**Contract Amount:** \$2,000,000.00

**TO:** The Honorable  
Board of Water Commissioners  
City of Detroit, Michigan

**FROM:** Gary Brown, Director  
Water and Sewerage Department

**RE:** Proposed DWSD Contracts for Full Lead Service Line Replacements at Various Locations Throughout Detroit (Project WS-739)  
6006337 Five Star Energy Services, Inc.  
6006338 Inner City Contracting  
6006339 WT Stevens

**MOTION**

Upon recommendation of Marqaiicha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve DWSD Contracts 6006337 with Five Star Energy Services LLC, 6006338 with Inner City Contracting, and 6006339 with WT Stevens; for Full Lead Service Line Replacements at Various Locations Throughout Detroit (Project WS-739); for a combined total contract amount not-to-exceed \$5,000,000.00 (100% reimbursable by ERP, WINN Grant Funding) and a term of one year.**

## **BACKGROUND / JUSTIFICATION**

Detroit has an estimated 80,000 lead service lines (LSLs), connected to an aged and historically under-maintained water network, with high incidences of water main breaks. Main breaks and service leaks frequently affect LSLs and require disconnecting the LSL to make a repair. As part of the DWSD Capital Improvement Program (CIP) for the replacement of water mains, lead service lines are converted to new copper service lines along with the provision of water filters and pitchers to the customer for the benefits the public health and safety. Given the potential negative health impacts due to Lead service lines to water system customers, DWSD has been undertaking efforts in the replacement of these services. In addition to the replacement of LSLs along with water main replacement work, DWSD is undertaking dedicated LSL replacement from the existing water main to the customer meter without water main replacement.

Per EPA and MI-EGLE requirements, Lead services are to be replaced from the water main all the way to the customer meter within their property (residence, commercial space, other). Normally, Lead replacements are integrated into water main replacement capital work, but not all water mains can be replaced over the next handful of years to capture all the outstanding lead services. Under Contract WS-739, DWSD proposes to develop a dedicated Lead water service replacement project whose scope does not have the necessity of a full water main replacement. Through this contract, up to 500 Lead services will be replaced over three years with a combination of excavation and directional boring.

The work consists of replacing Lead water services of up to two inches in diameter with copper services and road/curb boxes at up to 500 locations throughout the City of Detroit. These locations are not known at this time and services will be located through hydro excavation work by the contractor as part of the project scope. The space near the shutoff box at the sidewalk will be excavated to the depth of the existing water service and visual confirmation made of Lead or copper in place. If a copper service is found, then the site will be backfilled and restored at cost; if Lead, then the contractor will coordinate replacement. Also, other locations of LSL work may be assigned to the Contractor identified by the Engineer and assigned to the Contractor on an “as-needed” basis pursuant to the terms and conditions of the Contract Documents.

There is no guarantee as to the number of replacement locations that will be assigned. However, about 500 Lead service line replacements are expected to be assigned throughout the life of this Contract. No design drawings will be provided by DWSD. The contractor will be responsible for following the DWSD Full Lead Service Line Replacement (FLSLR) Standard Operating Procedures (SOPs) and Lead Water Services specification, to efficiently, effectively, and safely remove and replace LSLs.

This project is underwritten with monies from the U.S. Environmental Protection Agency (EPA), grant funding under the Water Infrastructure Improvements for the Nation (WINN) Act.

## **PROJECT OBJECTIVES / COSTS**

The work is to be completed within 365 days. The full-service line replacement involves replacing the existing Lead service with new copper service line, installing new curb stop and curb box, and restoration of all lawn/pavement disturbed by the individual site work. The pay item description shall be as follows:

- a. The costs of materials, labor, equipment, and all other incidental materials necessary for the removal and replacement of lead water services lines on the private side from the curb stop to the water meter, including coordination with customer, saw cutting, pavement removal, driveway removal, sidewalk removal, curb removal, excavation, excavation support, dewatering excavation, hauling, disposal, bedding, provision of clean backfill, compaction, copper services, wax tape, and all attendant water service installation items required per the Specifications shall be included in the cost of the pay item.
- b. Restoration for full reinstatement of all items including, but not limited to, aggregate base, concrete base, paving, curb, sidewalk, seeding, and sod will be paid for as a per-service arrangement.
- c. Installation of water service from the existing water main, through the curb stop, and onward to the property water meter will include the furnishing, installation, and connection of a new curb stop, road box, and all other appurtenances.
- d. Lead service line replacement at each property will include the coordination between the Contractor and the DWSD Lead Service Team. Contractor to coordinate with Lead Service Team for interaction and communication with residents, delivery of notices to residents, and all other requirements as found in the Specifications for Lead Service Line Replacement and will be included in the cost of this item.

## **PROCUREMENT METHOD**

This procurement was competitively solicited through a Request for Proposals (RFP) per Requisition 516704, which was fully approved on 1/29/24. The RFP was advertised on the Michigan Inter-Governmental Trade Network (MITN) BidNet website for 42 calendar days (1/30/24 - 3/12/24). MITN published this opportunity to 696 companies and 91 firms downloaded the proposal package. In addition to posting on MITN, Procurement sent email notices to approximately fourteen (14) firms. Additional vendor outreach was performed by DWSD staff in an attempt to connect with firms that have not done business with DWSD in the past in an effort to expand the DWSD vendor pool.

The Engineer's Estimate for this work is \$5,000,000, which is the amount DWSD received in grant funding through the Water Infrastructure Improvements for the Nation (WINN) Act to replace lead service lines in Detroit.

The Evaluation Committee was comprised of an Engineer from the Engineering Office, a Finance Asset Manager, and an Assistant Manager from Maintenance & Repair. Evaluations were based on the following criteria:

- Ability to perform work
- Work plan & organization
- Staff Experience

Thirteen proposals were received. Each proposal was evaluated by Procurement on a pass/fail basis with respect to responsiveness and responsibility. Six proposals, from Decima LLC, Ready Dig Excavation, Phantom Specialty Construction, Strategic Alliance Community Development, Constructive Services LLC and Infrastructure Environmental Services LLC were deemed non-responsible for failing to meet DWSD's stated minimum qualifications.

Each voting member of the Evaluation Committee independently reviewed, evaluated, and scored the remaining seven (7) responsive and responsible proposals based on the criteria listed above. Procurement took the scores and tallied up the rankings based on the scores. Procurement then determined the highest ranked responsive and responsible Proposer.

Rank	Proposer	Score
1	Five Star Energy	8,450
2	Inner City Contracting	8,390
3	WT Stevens	8,030
4	Murphy Pipeline	6,020
5	Major Contracting	5,620
6	DMC Consultants	5,070
7	Bidigare Contractors	3,700

Simultaneously to technical evaluation, Procurement conducted pricing negotiations. DWSD came to agreement with the top three ranked vendors. The Evaluation Committee and Procurement recommends the highest-ranked responsive & responsible proposers **Five Star Energy Services, Inner City Contracting and WT Stevens (WS-739)** for a term of one (1) year and a combined total contract amount not-to-exceed \$5,000,000.

Five Star Energy Services; clearances expire on 3/21/25, Inner City Contracting on 1/4/25 and WT Stevens on 4/2/25. Formal contract documents have been sent to each of the Contractors for review and signature.

**SUMMARY**

- A. Contract No.: 6006337
- B. Contractor: Five Star Energy Services
- C. Contract Amount: \$2,000,000.00
  
- D. Contract No.: 6006338
- E. Contractor: Inner City Contracting
- F. Contract Amount: \$1,000,000.00
  
- G. Contract No.: 6006339
- H. Contractor: WT Stevens
- I. Contract Amount: \$2,000,000.00
  
- J. Terms of ALL Contracts: 7/1/24 - 6/30/25 (1 year)
  
- K. Combined Total Contract Amount: \$5,000,000.00
  
- L. Anticipated FY Breakdown: FY 24-25: \$5,000,000
  
- M. Funding Source: I&E Funds, with 100% of the funds reimbursable through the ERP Grant Fund
  
- N. GL String: 5721-20244-487711-617900-900383-30129-0000-000000 - 100% Water

This proposed contract was presented to the BOWC Finance Subcommittee on June 5, 2024. Per DWSD procurement protocol, Mayoral Review will also be obtained.