



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 17-0185 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

In control: Board of Water Commissioners

On agenda: 1/17/2018 **Final action:** 1/17/2018

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into Contract No. WS-704 "Water System Improvements: Various Streets throughout the City of Detroit" with Lakeshore Global Corporation (Contractor), at a cost not to exceed \$5,948,000.00 for a duration of 730 calendar days, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Finance Committee

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|--------------------------|--------|
| 1/17/2018 | 1 | Board of Water Commissioners | approved | |
| 1/11/2018 | 1 | Finance Committee | recommended for approval | |
| 1/11/2018 | 1 | Capital Improvement Program and Operations Committee | recommended for approval | |

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Agenda of January 17, 2018

Item No. 17-0185

Proposed Contract No. WS-704

Project Length: 730 Calendar Days

Amount: \$5,948,000.00

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: **Proposed DWSD Contract No. WS-704, "Water System Improvements: Various Streets throughout the City of Detroit"**
Contractor: Lakeshore Global Corporation
Designer: DWSD

MOTION

Upon recommendation of Palencia Mobley, P.E., Deputy Director/Chief Engineer, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. WS-704, "Water System Improvements: Various Streets throughout the City of Detroit" with Lakeshore Global Corporation (Contractor), at a cost not-to-exceed \$5,948,000.00 for a duration of 730 calendar days**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

JUSTIFICATION

This water main replacement contract is one of a continuing series of contracts that replace the old water mains in the City of Detroit having an extensive history of leaks and breaks. Proposed Contract No. WS-704 will provide the Detroit Water and Sewerage Department (DWSD) with the ability to continue its program of replacing aged water mains that have exceeded their intended service life. The new water mains and associated infrastructure will enhance the integrity of the DWSD Water System and ensure quality service to its customers.

BACKGROUND

DWSD Contract No. WS-704 is part of an ongoing distribution piping system water main replacement program. The work consists of replacing eight-inch through sixteen-inch diameter water mains in Detroit residential neighborhoods and principal Wayne County Roadways that have a history of frequent breaks and high maintenance cost.

CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised Wednesday, October 25, 2017, on the Michigan Inter-Governmental Trade Network (MITN) website; 509 Solicitations were sent out via MITN; 27 Firms downloaded the bid package. It was also released to the National Association of Minority Consulting Engineers (NAMCE), Asian Pacific American Chamber of Commerce (APACC), Michigan Hispanic Chamber of Commerce (MHCC), Michigan Black Chamber of Commerce (MBCC), Washtenaw Contractors Association Plan Room, Reed Construction, Booker T. Washington Business Association, Michigan Minority Business Development Council, Construction Association of Michigan, Construction Market Data (CMD), Dodge Data & Analytics, Construction Journal, Construction Data Company, Builders Exchange of Michigan, ISQFT, Bid Ocean, and Bid Clerk.

One (1) Bulletin was issued during the course of the bid. Bulletin No. 1 added Contract Drawings.

The Engineer's Estimate for this contract is \$6,785,000.00. Six (6) bids were received and opened Wednesday, November 15, 2017, by DWSD's Contracts and Grants Division. The bids are as follows:

| BIDDER | BID PRICE | EQUALIZED PRICE |
|-------------------------------|------------------|------------------------|
| Lakeshore Global Corporation | \$5,948,000.00 | \$5,888,520.00 |
| L. D 'Agostini and Sons, Inc. | \$5,980,416.00 | \$5,980,416.00 |
| Major Cement Company | \$6,574,993.00 | \$6,509,243.07 |
| Ric-Man Construction Inc. | \$7,109,947.00 | \$7,109,947.00 |
| DiPonio Contracting, Inc. | \$7,965,003.00 | \$7,965,003.00 |
| Bidigare Contractors, Inc. | \$8,744,127.00 | \$8,744,127.00 |

Equalization was applied as follows:

| BIDDER | EQUALIZATION CATEGORY | PERCENTAGE |
|------------------------------|----------------------------------|-------------------|
| Lakeshore Global Corporation | Detroit Based Business | 1% |
| L. D'Agostini and Sons, Inc. | None | None |
| Major Cement Company | Detroit Based-Business | 1% |
| Ric-Man Construction Inc. | None | None |
| DiPonio Contracting, Inc. | None | None |
| Bidigare Contractors, Inc. | None | None |

The lowest responsive equalized bidder, Lakeshore Global Corporation, has submitted all required responsive documents. Therefore, it is recommended that Lakeshore Global Corporation be awarded DWSD Contract No. WS-704. Lakeshore Global Corporation, a Detroit Based Business, will currently perform 100 percent of the work under this contract.

If Lakeshore Global Corporation is found non-responsible, it is recommended that the next lowest responsive equalized, responsible bidder be awarded the contract.

PROJECT OBJECTIVE/COSTS

The objective of the proposed contract WS-704 is to replace existing 8-inch and 12-inch water main that have a history of leaks and breaks with approximately 20,460 linear feet of 8-inch and 470 linear feet of 12-inch Ductile Iron Water Main, including fittings and hydrants.

The contract costs are as follows:

| | |
|---|-----------------------|
| Contract Price | \$5,198,000.00 |
| Provisional Allowance for Unforeseen Conditions | \$750,000.00 |
| Total Contract Price | \$5,948,000.00 |

PROJECT SCHEDULE/PROJECT STATUS:

| | |
|----|--|
| A. | Start Work Date: To be established contingent upon BOWC approval |
| B. | Final Completion Date: 730 calendar days after the Start Work Date |
| C. | Bid Price: \$5,948,000.00 |
| D. | Projected Fiscal Year (FY) Contract Expenditures: FY1: \$1,000,000.00 FY2: \$3,000,000.00 FY3: \$1,948,000.00 |
| E. | Contract Purchase Agreement No. 6001147 |

Contract No. WS-704 was presented to the Finance and CIP Committee on January 11, 2018, and is a Capital Improvement Program (CIP) funded project.