



# Detroit Water and Sewerage Department

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## Legislation Details (With Text)

**File #:** 19-0008      **Version:** 1      **Name:**

**Type:** Contract      **Status:** Passed

**In control:** Contracts and Grants

**On agenda:** 1/16/2019      **Final action:** 1/16/2019

**Title:** The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into Contract No. 6001658 "Assistance with automatic meter reader equipment installation and related work (PC-803B)" with Lakeshore Global Corporation, not to exceed \$1,884,998.00 for a duration of three (3) years, authorizing the Director to take such action necessary to accomplish the intent of this vote.

**Indexes:** Board of Water Commissioners, Finance Committee

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
1/16/2019	1	Board of Water Commissioners	approved	Pass
1/8/2019	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. 6001658 "Assistance with automatic meter reader equipment installation and related work (PC-803B)" with Lakeshore Global Corporation, not to exceed \$1,884,998.00 for a duration of three (3) years**, authorizing the Director to take such action necessary to accomplish the intent of this vote.

### Agenda of January 16, 2019

**Item No. 19-0008**

**Proposed Contract No. 6001658**

**Contractor: Lakeshore Global Corporation**

**7310 Woodward Ave. #500**

**Detroit, Michigan 48202**

**Contract Duration: Three (3) year contract**

**Contract Amount: \$1,884,998.00**

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

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

**RE: Proposed DWSD Contract No. 6001658, "Assistance with Automatic Meter Reader Equipment Installation and Related Work (PC-803B)"**

## MOTION

Upon recommendation of Palencia Mobley, 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. 6001658 "Assistance with automatic meter reader equipment installation and related work (PC-803B)" with Lakeshore Global Corporation, not to exceed \$1,884,998.00 for a duration of three (3) years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

## BACKGROUND

DWSD's (pre-bifurcation) contract CM-2007 implemented the Itron, Inc. (Itron) fixed-base retail Automated Meter Reading (AMR) system, commercially known as Water SaveSource™, to automatically collect the water meter reads from DWSD's retail customers.

Beginning December 2007, the Water SaveSource™ system began its production, which required Customers to have properly functioning meter reading equipment in order to maintain water service at their residence. With the AMR system providing actual meter reads, errors or exceptions can still occur with this system due in part to customer tampering, equipment failure and/or occasional network system problems. However, when an error is detected, Customers will receive estimates versus an actual bill until the error is corrected by Meter Operations personnel.

The Engineer's estimate of \$3,300,000 was based on a previous number of contractors under Contract No. 6000675 associated with this project. However, DWSD has recently acquired more field technicians in Meter Operations, therefore is reducing the number of contractors on this contract. As currently planned, this contract will provide four technicians with vehicles, one (1) data entry coordinator, one (1) meter technician supervisor and part time access to one (1) licensed plumber to address household plumbing issues that could otherwise delay successful completion of meter change outs. This contract will replace Contract No. 6000675 which had ten (10) technicians and expired December 31, 2018.

## JUSTIFICATION

This contract will provide trained meter installers, as needed, to assist the Detroit Water and Sewerage Department (DWSD) Meter Operations Team in managing the exchange, maintenance and repair of meters and meter interface units (MIUs). Demand for corrective maintenance and related work cannot be met with the existing staff due to the volume of work that exists.

Contract No. 6001658 will correct AMR System exceptions by exchanging, maintaining and repairing water meters and MIUs throughout the City of Detroit without disrupting or falling below the industry standard of offering meter appointments in five (5) days or less. Correcting the exceptions and inaccuracies will enable DWSD to provide its customers with accurate and detailed billing statements versus estimates. Keeping the standard five (5) day rule for customer appointments will help to demonstrate DWSDs commitment to customer satisfaction.

## CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised on Friday, December 7, 2018, on the Michigan Inter-Governmental Trade Network (MITN) website. 1,946 Solicitations were sent out via MITN. Eighteen (18) firms downloaded the bid package. It was also released to the North America Procurement Council, Michigan Minority Contractors Association (MMCA), 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, Construct Connect, Dodge Data & Analytics, Construction Journal, Builders Exchange of Michigan and Bid Ocean.

Zero (0) Bulletins were issued during the course of this bid.

The engineer's estimate for this contract is \$3,300,000.00. Bids were uploaded on MITN and opened on Friday, December 21, 2018 by the DWSD's Procurement Specialist.

The two (2) submitted bids are as follows and include the equalization factor:

BIDDERS	Lakeshore Global Corporation	Process Controls & Instrumentation, LLC (PCI)
BID PRICE	\$1,884,998.00	\$2,097,620.00
RESPONSIVE	YES	NO (No Certificate of Authority provided)
EQUALIZATION	Detroit Based Business	Detroit Based Business
PERCENTAGE	1%	1%
EQUALIZED VALUE	\$1,866,148.02	\$2,076,643.80

The lowest responsive equalized bidder, Lakeshore Global Corporation, has submitted all required documents. Therefore, it is recommended that Lakeshore Global Corporation be awarded DWSD Contract No. 6001658. This supplier is a Detroit Based Business and will perform 100% of the work under this contract. PCI was found to be non-responsive and if Lakeshore Global Corporation is found non-responsive, DWSD Procurement must re-solicit the bid.

Contract Price	\$1,864,998.00
Provisional Allowance for Unforeseen Conditions	\$20,000.00
<b>Total Contract Price</b>	<b>\$1,884,998.00</b>

## PROJECT SCHEDULE/PROJECT STATUS:

A.	<b>Start</b>	<b>Work</b>	<b>Date:</b>	Tentative	March	1,	2019,	Contingent
				upon BOWCs approval				

B. **Final Completion Date:** Three (3) years after the approved Start Work Date

C. **Contract Price Details:**

- |   |                       |
|---|-----------------------|
| • Contract Price                                  | \$1,864,998.00        |
| • Provisional Allowance for Unforeseen Conditions | \$20,000.00           |
| • <b>Total Contract Price</b>                     | <b>\$1,884,998.00</b> |

D. **Projected Fiscal Year (FY) Contract Expenditures:**

FY1: \$628,332.67

FY2: \$628,332.67

FY3: \$628,332.66

E.	Funding Source
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**Contract No. 6001658** was presented to the Finance Committee on **January 8, 2019**, and is an Improvements and Extensions (I&E) funded project.