



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 19-00194 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

In control: Board of Water Commissioners

On agenda: 7/12/2019 **Final action:** 7/12/2019

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into Contract No. 6002232 for "Sewer Improvements for Cornerstone Village (DWS-908)" with Lakeshore Global Corporation, at a cost not to exceed \$7,693,348.95 for a term of two (2) years, and also authorizes the Director to take such action necessary to accomplish the intent of this vote.

Indexes: Finance Committee

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------------|--------------------------|--------|
| 7/12/2019 | 1 | Board of Water Commissioners | approved | Pass |
| 7/9/2019 | 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. 6002232 for "Sewer Improvements for Cornerstone Village (DWS-908)" with Lakeshore Global Corporation, at a cost not to exceed \$7,693,348.95 for a term of two (2) years, and** also authorizes the Director to take such action necessary to accomplish the intent of this vote.

Agenda of July 12, 2019

Item No. 19-00194

Proposed Contract No. 6002232

Contractor: Lakeshore Global Corporation
7310 Woodward Avenue, Suite 500
Detroit, Michigan 48202

Contract Amount: \$7,693,348.95

Contract Term: Two (2) years 730 days

Anticipated Dates: 10/1/19 - 9/30/21

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

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Proposed DWSD Contract No. 6002232
"Sewer Improvements for Cornerstone Village (DWS-908)"

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. 6002232 for "Sewer Improvements for Cornerstone Village (DWS-908)" with Lakeshore Global Corporation, at a cost not to exceed \$7,693,348.95 for a duration of two (2) years**, and also authorizes the Director to take such action necessary to accomplish the intent of this vote.

BACKGROUND

Most of the existing sewers within the City limits which are the responsibility of the Detroit Water and Sewerage Department (DWSD) were built in the 1920's. Due to the age and deterioration of the sewer pipes, immediate repair is often required. Currently, DWSD is spending approximately \$1,000,000.00 per month on sewer rehabilitation work. Proposed Contract No. 6002232 is necessary to continue the sewer rehabilitation program.

JUSTIFICATION

The existing DWSD sewer system within the City limits (approximately 3,000 miles of sewers ranging from 8" thru 168") is generally older than 90 years. Due to the age of the existing pipes, degradation is proceeding at an increasing rate. Some sewer lines are near the point of collapse and immediate emergency action is often required. Sewer rehabilitation services are needed to repair plugged, damaged and collapsed sewers to avoid basement flooding, and maintain the flows within the wastewater collection system.

The work to be performed is broken down as follows:

| Intervention Type | Sewer Length (Linear Feet) |
|-----------------------------------|----------------------------|
| Sewer Replacement | 646 |
| Relining | 42,399 |
| External Point Repairs | 1,386 |
| Trenchless Point Repairs | 1,848 |
| Project Total Sewer Piping | 46,279 |

Proposed Contract No.6002232 (DWS-908) for Sewer Improvements for Cornerstone Village is to provide in-place rehabilitation and open cut repair of selected sewers primarily using the procedures, methods and equipment of the cured-in-place pipe lining processes as shown above. In a change from the previous sewer repair and rehabilitation contracts, where the selected contractor performed the sewer condition assessment, as well as the repairs and rehabilitations, the Capital Improvement Management Organization (CIPMO) team has already performed the condition assessment in this neighborhood and presented a proposed scope of work for each intervention in the bidding documents. Additionally, the contract includes Green Stormwater

Infrastructure (GSI) that will divert stormwater from the DWSD combined sewer system to instead percolate into the local soils, thus reducing the risk of basement backups and the amount of runoff to be treated.

DWSD and CIPMO hosted community meetings in the Cornerstone Village in October 2018 and January 2019. The goal of the meetings was to foster meaningful discussions about the capital improvement projects scheduled in the neighborhood. These meetings were well received by attendees and were attended by residents, business owners and notable stakeholders such as State Representative Tenisha Yancey, State Representative Joe Tate, and Councilman Andre Spivey's Chief of Staff, Keith Jones.

The meeting in October 2018 focused on Green Stormwater Infrastructure improvement and the meeting in January 2019 provided a project overview of water main and sewer pipeline improvements, review of green stormwater infrastructure projects, and the process for lead service line replacements. Attendees at both meetings were also given the opportunity to ask questions and express concerns about the project.

DWSD will continue the rehabilitation of sewers to provide better services to citizens of Detroit and meet the needs of future City Development. The proposed rehabilitation/lining processes will extend the life of a sewer by at least 50 years.

PROCUREMENT METHOD

This project was competitively solicited as a Request For Bids (RFB) using the newly implemented solicitation templates for engineering related projects provided by AECOM through CIPMO. It was advertised on Wednesday, February 13, 2019, on the Michigan Inter-Governmental Trade Network (MITN) website. Notices were sent to 1,951 firms via MITN with 121 firms downloaded the bid package. It was also advertised with 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, 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. Six (6) Bulletins were issued during the course of this bid.

The bids were downloaded from MITN and opened on Wednesday, March 13, 2019.

The engineer's estimate for this contract was \$7,921,000.00.

The following three (3) bids were received:

| Bidders | Lanzo Trenchless Technologies | Lakeshore Global Corporation | Inland Waters Pollution Control |
|--------------|-------------------------------|------------------------------|---------------------------------|
| Bid Price | \$5,304,957.00 | \$7,693,348.95 | \$8,999,474.00 |
| Equalization | None | None | Detroit Based Business |
| Percentage | 0% | 0% | 1% |

| | | | |
|-----------------------------|----------------|----------------|----------------|
| Equalized Bid Amount | \$5,304,957.00 | \$7,693,348.95 | \$8,909,479.26 |
| Responsive | No | Yes | Yes |

Lanzo Trenchless Technologies was the apparent equalized low bidder; however, Lanzo was found to be nonresponsive for failing to provide all substantive and material requirements such as the qualifications statements information, references, nor did they identify a safety manager or a quality control manager that would be assigned to the contract, as required in the RFB.

The second apparent low equalized bidder, Lakeshore Global Corporation, was evaluated next and was deemed responsive. Lakeshore Global Corporation will perform 100% of the work under this contract. Although Lakeshore Global Corporation is a Detroit Based Business, their certificate had expired; therefore, they were not awarded equalization credits as part of the evaluation.

SUMMARY:

- A. Contract Purchase Agreement No. 60012232
- B. Contract Description: Sewer Improvements for Cornerstone Village
- C. Proposed Contractor: Lakeshore Global Corporation
- D. Contract Term: 730 days (two years)
Anticipated Dates: 10/1/19 - 9/30/21
- E. Contract Amount: \$7,693,348.95
- | | |
|---|------------------------|
| Bid Subtotal | \$ 6,895,348.95 |
| Permit Allowance | \$ 28,000.00 |
| Contaminated Material Allowance | \$ 20,000.00 |
| Provisional Allowance for Unforeseen Conditions | \$ 750,000.00 |
| Total Contract Amount: | \$ 7,693,348.95 |
- F. Funding Source: CIP
- G. GL String:

5831-20310-497800-617900-900297-30129-0000-000000
(100%)

H. Projected Fiscal Year (FY) Contract Expenditures:

| | | |
|-------|-------|----------------|
| | FY 20 | \$2,000,000.00 |
| | FY 21 | \$4,000,000.00 |
| FY 22 | | \$1,693,348.95 |

Proposed Contract No. 6002232 for the Sewer Improvements for the Cornerstone Village (DWS-908) project was presented to the Finance Committee on July 9, 2019. Per DWSD procurement policy, this contract will be presented to Mayor Duggan in July as part of the Post FRC review and to City Council after BOWC approval.