



Detroit Water and Sewerage Department

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Legislation Text

File #: 17-0049, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. WS-698 “Water System Improvements: Various Streets Throughout the City of Detroit)” with Major Cement Company (Contractor) at a cost not to exceed \$7,752,019.00 for a duration of 540 calendar days**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of March 15, 2017

Item No. 17-0049

Proposed Contract No. WS-698

Project Length: 540 Calendar Days

Amount: \$7,752,019.00

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-698, “Water System Improvements: Various Streets throughout the City of Detroit”**
Contractor: Major Cement Company
Designer: DWSD

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. WS-698, “Water System Improvements: Various Streets Throughout the City of Detroit” with Major Cement Company (Contractor), at a cost not-to-exceed \$7,752,019.00 for a duration of 540 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-698 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 DWSD’s Water System and ensure quality service to its customers.

BACKGROUND

DWSD Contract No. WS-698 is part of an ongoing distribution piping system water main replacement

program. The work consists of replacing eight inch and twelve inch diameter water mains in Detroit residential neighborhoods that have a history of frequent breaks and high maintenance cost. This contract is similar to WS-697, which was approved by the Board of Water Commissioners on May 11, 2016.

CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised on Thursday, January 12, 2017, in the National Association of Minority Consulting Engineers (NAMCE), Asian Pacific American Chamber of Commerce (APACC), Michigan Hispanic 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 responded to questions from plan holders.

The Engineer's Estimate for this contract is \$10,000,000.00. Three (3) were uploaded on MITN and opened on Friday, February 10, 2017, by DWSD's Contracts and Grants Division.

The bids are as follows:

BIDDER	BID PRICE	EQUALIZED PRICE
Major Cement Company	\$7,752,019.00	\$7,674,498.81
Lakeshore Global Corporation	\$8,248,000.00	\$8,165,520.00
L. D'Agostini & Sons, Inc.	\$9,837,444.50	N/A

Equalization was applied as follows:

BIDDER	EQUALIZATION CATEGORY	PERCENTAGE
Major Cement Company	Detroit Based Business	1%
Lakeshore Global Corporation	Detroit Based Business	1%
L. D'Agostini & Sons, Inc.	N/A	N/A

The lowest responsive equalized bidder, Major Construction Company, has submitted all required responsive documents. Therefore, it is recommended that Major Cement Company be awarded DWSD Contract No. WS-698. Major Cement Company, a Detroit Based Business, will currently perform 100% of the work under this contract.

If Major Cement Company 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 is to furnish and install approximately 21,743 linear feet of 8-inch and 5,009 linear feet of 16-inch Ductile Iron Pipe and fittings.

The Contractor will also furnish and install 8-inch and 12-inch, Gate Valves, place 8-mil Polyethylene wrap around the new water main, and furnish/construct/install all water main appurtenances, connections and related structures.

This is a State of Michigan Drinking Water Revolving Fund (DWRF) project and Federal requirements must be met for Disadvantaged Business Enterprises (DBE), and Davis-Bacon. With regard to DBE participation, prime contractors who bid on a DWRF-funded water main projects and who intend to use subcontractors must demonstrate good-faith procurement outreach efforts for Disadvantaged Business Enterprises (DBE) during the bidding period, which involves soliciting at least three disadvantaged subcontractors per trade, and documenting these efforts in the DBE forms found in the DWRF portion of the bid document specifications. The DBE forms and supporting documents were included in the successful bidder's package in order to comply with

DWRF program requirements.

The contract costs are as follows:

Contract Price	\$7,252,019.00
Provisional Allowance for unforeseen conditions	\$500,000.00
Total Contract Price	\$7,752,019.00

PROJECT SCHEDULE/PROJECT STATUS:

- A. Start Work Date: To be established contingent upon BOWC approval
- B. Final Completion Date: 540 calendar days after the Start Work Date
- C. Bid Price: \$7,752,019.00
- D. Projected Fiscal Year (FY) Contract Expenditures: FY1:\$ 1,000,000.00
FY2:\$ 6,000,000.00
FY3:\$ 752,019.00

Contract No. WS-698 was presented to the Finance Committee on March 8, 2017, and is a Capital Improvement (CIP) funded project.