



Detroit Water and Sewerage Department

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Legislation Text

File #: 18-0213, **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-708 "Repair of water main systems: various pipe sizes at various locations throughout the City of Detroit" with Major Cement Company (Contractor), at a cost not-to-exceed \$5,472,800.00 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 September 19, 2018

Item No. 18-0213

Proposed Contract No. WS-708

Project Length: 540 Calendar Days

Amount: \$5,472,800.00

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-708 "Repair of water main systems: various pipe sizes at various locations 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-708 "Repair of water main systems: various pipe sizes at various locations throughout the City of Detroit" with Major Cement Company (Contractor), at a cost not-to-exceed \$5,472,800.00 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.

BACKGROUND

DWSD Contract No. WS-708 is part of DWSD's on-going maintenance related work and will replace the existing Contract No. WS-701 which was approved by the Board of Water Commissioners on January 18, 2017.

JUSTIFICATION

During wintertime, the Detroit Water and Sewerage Department (DWSD) experiences a significant increase in the number of water main breaks and leaks in its distribution system, which its maintenance forces find difficult to repair on a timely basis. This contract's primary purpose is to provide for the repair of various sized water mains during critical periods of time to supplement DWSD's efforts to repair water mains using its own forces. DWSD is the first responder for all water main breaks in the City of Detroit as agreed upon in the Shared Services Agreement between DWSD and the Great Lakes Water Authority (GLWA). As such, DWSD has also allocated \$1,000,000.00 in this contract as an allowance to repair transmission mains (diameter of 24-inches and greater) currently operated by GLWA. If incurred, this cost would be reimbursed pursuant to the Shared Services Agreement between DWSD and GLWA.

CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised on Tuesday, May 15, 2018, on the Michigan Inter-Governmental Trade Network (MITN) website. 589 Solicitations were sent out via MITN. 35 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.

The Engineer's Estimate for this contract is \$5,244,275.00. Two (2) bids were received and opened on Thursday, June 14, 2018, by DWSD's Procurement Division. The bids are as follows:

BIDDER	BID PRICE	EQUALIZED PRICE
Major Cement Company	\$5,472,800.00	\$5,418,072.00
Lakeshore Global Corporation	\$8,924,530.00	\$8,835,284.70

Equalization was applied as follows:

BIDDER	EQUALIZATION CATEGORY	PERCENTAGE
Major Cement Company	Detroit Based Business	1%
Lakeshore Global Corporation	Detroit Based Business	1%

The lowest responsive equalized bidder, Major Cement Company, has submitted all required responsive documents. Therefore, it is recommended that Major Cement Company be awarded DWSD Contract No. WS-708. 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 work primarily consists of locating, exposing, and repairing breaks and leaks in the existing water mains. It also includes the repair and replacement of hydrants, valves, stop boxes, road gate boxes, and other appurtenances, including excavation and backfilling, snow and ice removal, salting down areas and temporary restoration of the site.

The contract costs are as follows:

Contract Price	\$4,472,800.00
Provisional Allowance for Transmission Main Repairs,	

and Unforeseen Conditions \$1,000,000.00

Total Contract Price \$5,472,800.00

PROJECT SCHEDULE/PROJECT STATUS:

- A. Start Work Date: To be established contingent upon BOWC approval -
Tentatively October 15, 2018
- B. Final Completion Date: 540 calendar days after the Start Work Date
- C. Bid Price: \$5,472,800.00
- D. Projected Fiscal Year (FY) Contract Expenditures: FY1: 18-19:
\$2,000,000.00
FY2: 19-20:
\$3,472,800.00
- E. Contract Purchase Agreement No. 6001600
- F. GL String No. 5731-20301-487800-617900-900221-30129-
0000-000000

Contract No. WS-708 was presented to the Finance Committee on September 5, 2018. **Funding Source:** The funding for this project is included in the Water Supply System (WSS) Capital Improvement Plan for Fiscal Years 2019 through 2023, funded by Improvement & Extension (I&E) funds