



# Detroit Water and Sewerage Department

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## Legislation Text

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**File #:** 18-0215, **Version:** 1

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The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. WS-706 "Water System Improvements: Various Streets Throughout the City of Detroit" with Major Cement Company (Contractor), at a cost not to exceed \$10,294,167.00 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.

### **Agenda of September 19, 2018**

#### **Item No. 18-0215**

#### **Proposed Contract No. WS-706**

#### **Project Length: 730 Calendar Days**

#### **Amount: \$10,294,167.00**

**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-706 "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-706, "Water System Improvements: Various Streets Throughout the City of Detroit" with Major Cement Company (Contractor), at a cost not-to-exceed \$10,294,167.00 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.

### **BACKGROUND**

DWSD Contract No. WS-706 is part of an ongoing distribution piping system water main replacement program. The work consists of replacing existing six through sixteen inch diameter water mains along select residential streets and several Wayne County roadways within Detroit that have a history of frequent breaks and high maintenance cost. Also, to protect customer health, any services with lead present will be replaced, as they are encountered, over the course of the work using 1-inch, 1 ½-inch, or 2-inch copper pipes & materials, as

required.

## 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-706 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. To protect the health and safety of our customers, existing lead water services are being replaced with copper service lines from the new water main all the way to the customer's meter. This work is part of the project and shall be performed by the contractor.

## CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised on Tuesday, May 15, 2018, on the Michigan Inter-Governmental Trade Network (MITN) website. 483 Solicitations were sent out via MITN. 25 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 \$11,259,755.00. Four (4) 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	\$10,294,167.00	\$10,191,225.33
Ric-Man Construction, Inc.	\$11,003,881.00	\$11,003,881.00
L. D'Agostini and Sons, Inc.	\$11,320,418.00	\$11,320,418.00
Lakeshore Global Corporation	\$12,435,000.00	\$12,310,650.00

Equalization was applied as follows:

BIDDER	EQUALIZATION CATEGORY	PERCENTAGE
Major Cement Company	Detroit Based Business	1%
Ric-Man Construction, Inc.	None	None
L. D'Agostini and Sons, Inc.	None	None
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-706. 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 WS-706 is to replace existing six through sixteen inch water mains that have a history of leaks and breaks with approximately 20,588 linear feet of eight-inch ductile iron water main, 5,174 linear feet of twelve-inch ductile iron water main and 3,050 linear feet of sixteen-inch ductile iron water main including pipe fittings, valves, hydrants, and all other miscellaneous materials and components for the work that is broken down as follows:

Street	From	To	New Ductile Iron Water Main		
			8-inch	12-Inch	16-Inch
McNichols	Schaefer	Lodge Freeway	2,072	2,080	
Robson	Curtis	Seven Mile	2,636		
Stansbury	Curtis	Outer Drive	1,215		
Beaverland	Sawyer	Tireman	914		
Tireman	Greenfield	Hubbell	159		2,760
Warren	Parkland	Heyden	1,359	3,094	
E. Outer Drive	Gallagher	Conley	7,790		185
E. Outer Drive	Dequindre	Mitchell	4,443		105
Total:			20,588	5,174	3,050
<b>Project Total Piping:</b>			<b>28,812 Linear Feet</b>		

Additionally, existing lead services will be replaced with copper tube from the water main to the customer meter. The forecasted number of properties with lead services for replacement are 130. The estimated length of lead services being replaced with copper within the public ROW is 3,185 linear feet with approximately 5,200 linear feet across private properties. Lead services of one inch and less in diameter are replaced with one-inch copper tube; existing lead services of 1 ½-inches and 2-inches in diameter are replaced with copper tube of the same diameter. The aggregate lead service replacement work represents 5.68 percent of the contractor's bid. Should additional lead services be encountered over the course of the work, they shall also be replaced at the rates established in the bid schedule.

The contract costs are as follows:

Contract Price	\$9,294,167.00
Provisional Allowance for Unforeseen Conditions	\$1,000,000.00
<b>Total Contract Price</b>	<b>\$10,294,167.00</b>

## PROJECT SCHEDULE/PROJECT STATUS:

A.	Start Work Date:	To be established tentatively October 1, 2018	contingent upon BOWC approval-
B.	Final Completion Date:	730 calendar days after the Start Work Date	
C.	Bid Price:	\$10,294,167.00	
D.	Projected Fiscal Year (FY) Contract Expenditures:		
FY:			18-19
		\$2,000,000.00	
FY:			19-20
		\$5,000,000.00	

FY:					20-21
				\$3,294,167.00	
E.				Contract Purchase Agreement No. 6001599	
F.	GL	String:		5731-20301-487800-617900-900221-30129-0000-000000	

Contract No. WS-706 was presented to the Finance Committee on Wednesday, September 5, 2018, and is a Capital Improvement Program (CIP) funded project.