



# Detroit Water and Sewerage Department

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## Legislation Text

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**File #:** 18-0275, **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 DWSD Contract No. WS-707 (Fusion #6001788) "Water System Improvements: Various Streets Throughout the City of Detroit" with Lakeshore Global Corporation, at a cost not to exceed \$6,945,292.51 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 December 19, 2018**

#### **Item No. 18-0275**

**Proposed Contract No. WS-707 (Fusion #6001788)**

**Project Length: 730 Calendar Days (Two (2) year contract, tentative start date March 1, 2019 with the anticipated end date of February 28, 2021.**

**Amount: \$6,945,292.51**

**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-707 (Fusion #6001788), "Water System Improvements: Various Streets Throughout the City of Detroit"**  
**Contractor: Lakeshore Global Corporation, 7310 Woodward Ave., Suite 500, Detroit, Michigan 48202.**

### **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 DWSD Contract No. WS-707 (Fusion #6001788), "Water System Improvements: Various Streets Throughout the City of Detroit" with Lakeshore Global Corporation, at a cost not-to-exceed \$6,945,292.51 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

**Contract No. 6001788** is part of an ongoing distribution piping system water main replacement program, which includes the following contracts:

<i>Water Systems Improvements Description:</i>	<i>Contract No.:</i>	<i>Vendor:</i>	<i>Detroit Based:</i>	<i>Contract Dates:</i>	<i>Contract Amount:</i>
WS-698 for: 8" and 12" Gate Valves	6000709	Major Cement Company	Yes	06.27.2017 - 12.18.2018	\$7,252,019.00
WS-703 for: 8", 12" and 16" Ductile Iron	6000815	L'Agonstini & Sons	No	08.28.2017 - 08.18.2019	\$9,349,594.00
WS-704 for: 8" thru 16" Water mains and fittings	6001147	Lakeshore Global Corporation	Yes	02.05.2018 - 02.05.2020	\$5,198,000.00
WS-705 for: 6" and 8" Water mains and fittings	6001366	Major Cement Company	Yes	08.13.2018 - 08.12.2020	\$12,839,074.00
WS-706 6" thru 16" diameter Water mains and fittings	6001599	Major Cement Company	Yes	11.5.2018 - 11.04.2020	\$10,294,167.00

## 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 707 (Fusion #6001788)** 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 from the new water main all the way to the customer meter.

## CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised on **October 31, 2018**, on the Michigan Inter-Governmental Trade Network (MITN) website. **752** Solicitations were sent out via MITN. **75** Firms downloaded the bid package. It was also released to the 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, 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.

The Engineer's Estimate for this contract is **\$7,800,000.00**. Four (4) bids were received and opened on **November 26, 2018**, by DWSD's Procurement department. The bids are as follows:

BIDDER	BID PRICE	EQUALIZED PRICE
Lakeshore Global Corporation	\$6,945,292.51	\$6,875,839.58
Aielli Construction Company, Inc.	\$7,165,559.00	N/A
Ric-Man Construction, Inc.	\$8,743,768.00	N/A
Major Cement Company	\$8,943,752.00	\$8,854,314.48

Equalization was applied as follows:

BIDDER	EQUALIZATION CATEGORY	PERCENTAGE
Lakeshore Global Corporation	Detroit Based Business	1%
Aielli Construction Company, Inc.	None	None
Ric-Man Construction, Inc.	None	None
Major Cement Company	Detroit Based Business	1%

The lowest responsive equalized bidder, **Lakeshore Global Corporation**, has submitted all required responsive documents. Therefore, it is recommended that **Lakeshore Global Corporation** be awarded **Contract No. 6001788**. **Lakeshore Global Corporation**, a Detroit Based Business, will currently perform 100% of the work under this contract.

If **Lakeshore Global Corporation** 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 No. WS-707 (Fusion #6001788)** is to replace existing 8-inch and 12-inch water main that have a history of leaks and breaks with approximately 18,672 linear feet of 8-inch and 939 linear feet of 12-inch ductile iron water main, including fittings, valves, and hydrants. Additionally, existing Lead services will be replaced with copper from the water main to the customer meter. The number of Lead services forecasted for replacement is 232 and it represents 14.5 percent of the contractor's bid. The aggregate forecasted length of Lead services being replaced with copper within the public ROW is 7,320 linear feet and 7,526 linear feet on private properties. 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 work is broken down as follows:

Street	From	To	New Ductile Iron Wa (Linear Feet)
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			8-Inch	12-Inch	16-Inch
E. Outer Drive	Wallingford	250 feet South of Cornwall	1,850	894	
Pembroke	James Couzens (M-10)	Biltmore	5,882	45	
Whitcomb	Pembroke	Vassar	1,250		
Coyle	Fenkell	Grand River	4,160		
Codding	Grand River	Margareta	1,277		
Margareta	Codding	Shiawassee	368		
Fullerton	Petoskey	Dexter	1,309		30
Brace	Warren	Paul	2,576		
		Total:	18,672	939	30
<b>Project Total Piping:</b>			<b>19,641 Linear Feet</b>		

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	<b>\$5,945,292.51</b>
Provisional Allowance for Unforeseen Conditions	<b>\$1,000,000.00</b>
<b>Total Contract Price</b>	<b>\$6,945,292.51</b>

**PROJECT SCHEDULE/PROJECT STATUS:**

- A. Start Work Date: To be established contingent upon BOWC approval
- B. Final Completion Date: 730 calendar days after the Start Work Date
- C. Bid Price: **\$6,945,292.51**
- D. Projected Fiscal Year (FY) Contract Expenditures:

FY: 19-20      **\$3,500,000.00**

FY: 20-21      **\$3,445,292.51**

**Contract No. WS-707 (Fusion #6001788)** was presented to the Board of Water Commission Finance Sub-Committee on **December 5, 2018**, and is a Capital Improvement Program (CIP) funded project.