



# Detroit Water and Sewerage Department

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## Legislation Text

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**File #: 22-0792, Version: 1**

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The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract 6004358 with Major Contracting Group, Inc. for Water System Improvements - Evergreen, Grand River, Warrendale and Franklin Park (Project WS-720), for a total contract amount not-to-exceed \$13,446,362 and a term of two (2) years.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

**Agenda of May 18, 2022**

**Item No. 22-0792**

**Contract No. 6004358 (WS-720)**

**Contractor: Major Contracting Group, Inc. (DBB), 15430 Dale, Detroit, MI 48223**

**Contract Amount: \$13,446,362**

**Contract Term: 730 calendar days (2 years) - Anticipated Start Date of 7/31/22**

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

**FROM:** Gary Brown, Director  
Water and Sewerage Department

**RE:** Proposed DWSD Contract No. 6004358 / Project No. WS-720  
Water System Improvements - Evergreen, Grand River, Warrendale and Franklin Park  
Major Contracting Group, Inc.

### MOTION

Upon recommendation of Marqaiha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract 6004358 with Major Contracting Group, Inc. for Water System Improvements - Evergreen, Grand River, Warrendale and Franklin Park (Project WS-720), for a total contract amount not-to-exceed \$13,446,362 and a term of two (2) years.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

### BACKGROUND / JUSTIFICATION

DWSD Project No. WS-720 is part of an ongoing distribution piping system water main replacement program. The work consists of replacing and rehabilitating existing piping (per Appendix A) by trenching, pipe bursting and directional drilling. Existing water mains of 6-inch, 8-inch, and 12-inch diameter water mains will be replaced at selected locations in the Evergreen-Outer Drive, Grand River-St. Mary's, Grand River-I96, Warrendale and Franklin Park neighborhoods that have a history of frequent breaks and high maintenance cost. Lead (Pb) services forecasted for replacement are 246 across the project and represents **12.63%** percent of the contractor's bid. The aggregate forecasted length of Lead services being replaced with copper within the public ROW is 7,731 linear feet and 6,375 linear feet on private properties.

Additionally, Lead services of one inch and less in diameter are replaced with one-inch copper tube; existing Lead services of 1.5-inches and 2-inches diameter are replaced with copper tube of the same diameter.

This water main replacement contract is one of a continuing series of contracts that replace the water mains in the City of Detroit having an extensive history of leaks and breaks. 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.

Proposed Contract 6004358 for Project WS-720, will continue the rehabilitation of water main to provide better services to citizens of Detroit and meet the needs of future City Development.

### PROJECT OBJECTIVES / COSTS

The objective of the proposed Project WS-720 is to replace existing six through twelve-inch water mains that have a history of leaks and breaks with approximately 12 linear feet of 6-inch, 26,784 linear feet of 8-inch and 154 linear feet of 12-inch water main as a combination of new ductile iron water main placed by trenching/open cut and High-Density Polyethylene (HDPE) piping placed through Horizontal Directional Drilling (HDD) and pipe bursting. Whether the pipe is new DI or HDPE pipe, the work includes replacement of all fittings, valves, and hydrants. In the case of directional drilling and pipe bursting where the original metal pipe will be replaced with HDPE pipe, a new electrical grounding system will be placed at the customer property. Finally, existing Lead water services will be replaced with copper from the water main to the customer meter. The number of Lead services forecasted for replacement through this project is 246 and it represents **12.63%** of the contractor's bid. The aggregate forecasted length of Lead services being replaced with copper within the public ROW is 7,731 linear feet and 6,375 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.

Contract Price	<b>\$ 12,323,937</b>
Provisional Allowance for Unforeseen Conditions	<b>\$ 1,122,425</b>
Total Contract Price	<b>\$ 13,446,362</b>

### PROCUREMENT METHOD

This procurement was competitively solicited through a Request for Bids (RFB) per Requisition 494706, which was fully approved on 2/9/22. The RFB was advertised on the Michigan Inter-Governmental Trade Network (MITN) BidNet website for 33 calendar days (2/25/22 - 3/30/22). MITN published this opportunity to 1,430 companies and 106 firms downloaded the bid package. In addition to posting on MITN, Procurement sent email notices to approximately 75 firms. The Engineer's estimate for this work is \$13,340,000.

Five bids were received:

Bidder	Bid Total	Equalizations	Equal. Credits Applied	Equalized Total
Major Contracting Group	\$13,446,362.00	DBB - 1%	(\$134,463.62)	\$13,311,898.38
Lakeshore Global Corporation	\$14,320,362.79	DBB - 1%	(\$143,203.63)	\$14,177,159.16

Murphy Pipeline Contractors	\$14,714,903.00	None	None	\$14,714,903.00
Bidigare Contractors, Inc.	\$15,877,790.00	None	None	\$15,877,790.00
L. D'Agostini & Sons, Inc.	\$26,966,950.00	None	None	\$26,966,950.00

As the apparent equalized low bidder, Major Contracting Group, Inc. (formerly Major Cement) was evaluated first and determined to be responsive. Therefore, it is recommended that Major Contracting Group, Inc. be awarded the contract resulting from the RFB for WS-720. The bid tab, responsiveness evaluation, equalization analysis, and the five (5) bids have been provided to the Construction and Engineering Department.

Major's clearances expire on 11/24/22 and the formal contract document has been signed by Major and returned to DWSD.

**SUMMARY**

- A. Contract No.: 6004358 (WS-720)
- B. Contractor: Major Contracting Group, Inc.
- C. Contract Term: 730 days (2 years) - Anticipated start date of 31-July-2022
- D. Contract Amount: \$13,446,362
- E. Anticipated FY Breakdown:
  - FY 22-23: \$4,000,000
  - FY 23-24: \$7,000,000
  - FY 24-25: \$2,446,362
- F. Funding Source: Bond Funds
- G. GL String: 5740-20334-487801-617900-900349-30129-0000-000000 - 100% Water

This proposed contract was presented to the BOWC Finance Subcommittee on May 4, 2022. Per DWSD procurement protocol, Mayoral Review and City Council approvals will also be obtained.