



GLWA Procurement

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| Effective Date: 7/1/2024 | Document #: FSA_PRO_TPL_0024 | Revision Date: N/A | Revision#: 0 |
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| Document Title: Procurement Board Report | Document Owner/Department: Procurement Team |
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Date: November 8, 2024
To: Suzanne R. Coffey, P.E., Chief Executive Officer
From: Daniel Edwards, Procurement Manager
Re: Procurement Report

| General Information | | | |
|----------------------|---|----------------|-------------|
| Contract Number: | 2401236/REQ-0000036 | Project Owner: | Peter Fromm |
| CIP#: | N/A | | |
| Contract Title: | Specialized Services-Staff Augmentation | | |
| Vendor: | LGC Global, Inc. | | |
| Budget: | Operations and Maintenance | | |
| Federal/State Funded | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |

| Procurement Method | | | |
|--|--------------|---------------------|-----|
| Competitively bid – Request for Bid (RFB) Lowest responsive and responsible vendor | | | |
| Advertised: | 7/31/2024 | Addendums released: | 3 |
| Buyer: | Sean Hallock | Downloaded by: | 135 |
| Response due date: | 9/18/2024 | Responses received: | 3 |

Business Inclusion and Diversity (B.I.D.) - Applicable

The recommended vendor for award submitted a B.I.D. plan per the requirements under this solicitation.

| Vendor <i>(In order of highest to lowest)</i> | B.I.D. Plan <i>(Pass/Fail)</i> | Scored Criteria <i>(0 or 1)</i> | | | Cert. | Score w/o B.I.D. | Score with B.I.D. |
|--|-----------------------------------|---------------------------------|----------------|-----------------|-------|------------------|-------------------|
| | | State of Michigan | GLWA Territory | Econ. Territory | | | |
| LGC Global, Inc. | Pass | 1 | 1 | 1 | Yes | 97 | 100 |
| Sensatech LLC* | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Ready for Change, Inc.* | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

*Bidders deemed Non-Responsive – Both did not submit a bid bond with their bid as required by the RFB.



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RFB - Cost Summary – LGC Global, Inc.

| Description | Quantity Requested | Unit of Measure | Unit Price | Total Cost |
|--|---------------------------|------------------------|-------------------|-------------------|
| Item #1-1 – Plumber-Working Foreman | 4,160 | Hourly | \$120.00 | \$499,200.00 |
| Item #1-2 – Plumber-Working Foreman - Overtime | 208 | Hourly | 105.00 | 21,840.00 |
| Item #1-3 – Plumber-Journeyman | 8,320 | Hourly | 100.00 | 832,000.00 |
| Item #1-4 – Plumber-Journeyman - Overtime | 416 | Hourly | 95.00 | 39,520.00 |
| Item #1-5 – Electrician-Working Foreman | 4,160 | Hourly | 125.00 | 520,000.00 |
| Item #1-6 – Electrician-Working Foreman-Overtime | 208 | Hourly | 110.00 | 22,880.00 |
| Item #1-7 – Electrician-Journeyman | 8,320 | Hourly | 120.00 | 998,400.00 |
| Item #1-8 – Electrician-Journeyman - Overtime | 416 | Hourly | 86.00 | 35,776.00 |
| Item #1-9 – Carpenter-Working Foreman | 282 | Hourly | 66.00 | 18,612.00 |
| Item #1-10 – Carpenter-Working Foreman - Overtime | 14 | Hourly | 68.75 | 962.50 |
| Item #1-11 – Carpenter-Journeyman | 1,800 | Hourly | 47.67 | 85,800.00 |
| Item #1-12 – Carpenter-Journeyman - Overtime | 90 | Hourly | 50.60 | 4,554.00 |
| Item #1-13 – Millwright-Working Foreman | 6,240 | Hourly | 122.00 | 761,280.00 |
| Item #1-14 – Millwright-Working Foreman – Overtime | 312 | Hourly | 113.00 | 35,256.00 |
| Item #1-15 – Millwright-Journeyman | 20,800 | Hourly | 110.00 | 2,288,000.00 |
| Item #1-16 – Millwright-Journeyman – Overtime | 1040 | Hourly | 88.00 | 91,520.00 |
| Item #1-17 – Laborer-Working Foreman | 3,120 | Hourly | 95.00 | 296,400.00 |
| Item #1-18 – Laborer-Working Foreman – Overtime | 156 | Hourly | 85.00 | 13,260.00 |
| Item #1-19 – Laborer-Journeyman | 29,120 | Hourly | 66.00 | 1,921,920.00 |



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| Item #1-20 – Laborer-Journeyman – Overtime | 1,456 | Hourly | 73.00 | 106,288.00 |
| Item #1-21 – Equipment Operator (Boom Truck) | 2,080 | Hourly | 100.00 | 208,000.00 |
| Item #1-22 – Equipment Operator (Boom Truck) - Overtime | 204 | Hourly | 130.00 | 26,520.00 |
| Item #1-23 – Field Clerk | 4,160 | Hourly | 36.00 | 149,760.00 |
| Item #1-24 – Project Manager | 4,160 | Hourly | 65.00 | 270,400.00 |
| Item #1-25 – Superintendent | 4,160 | Hourly | 65.00 | 270,400.00 |
| Item #1-26 – Project Engineer | 1,040 | Hourly | 50.00 | 52,000.00 |
| Item #1-27 – CSO Consultant | 1,040 | Hourly | 20.00 | 20,800.00 |
| Hourly Rates Subtotal | | | | \$9,591,348.50 |
| Allowances | | | | |
| Item #2-1 – Material Allowance | 2 | Annually | 500,000.00 | 1,000,000.00 |
| Item #3-1 – Subcontractor Allowance | 2 | Annually | 1,000,000.00 | 2,000,000.00 |
| Item #4-1 Equipment Allowance | 2 | Annually | 400,000.00 | 800,000.00 |
| Allowances Subtotal | | | | \$3,800,000.00 |
| Total Amount | | | | \$13,391,348.50 |

The Allowance amounts are included in the Contract Price to reimburse the Contractor for the cost to furnish and perform Work that is uncertain. Any remaining balance upon Final Completion shall be retained by the GLWA and not paid to the Contractor.

Benchmarking was completed by comparing the bids for this project. This analysis confirmed that rates are in a competitive range. The rate comparisons and allowances (if any) are illustrated in the attached bid tabulation. In addition, having reviewed the currently available union rates (using these rates as a primary benchmarking tool) against the submitted bid costs including overhead and profit (15%), budgeting for equipment/vehicles and fuel/small tools (5%), and for a \$3/year raise (3 years total) only LGC Global, Inc. provided costs that reflect the ability to provide the qualified staffing requested via this solicitation.

Other Data Requested by GLWA Board Members for Recommended Vendor



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Minority Business Enterprise (MBE): No
 Detroit Based Business (DBB): Yes
 Small Business Enterprise (SBE): No

Sub-Contractor(s) List: Not Applicable

Vendor Response Survey: Not Applicable

Litigation

This vendor is not currently nor has been previously involved in any litigation with the GLWA.

Financials

A financial risk assessment was performed by the GLWA via Dun & Bradstreet and was determined that the selected vendor has the financial capacity to perform the tasks under this contract. This information is available for the Board of Directors to review upon request.

Previous Contract

Previous contract holder: LGC Global, Inc.

The previous Contract No. 2004889, was for the period of 4/1/2022 through 3/31/2026, for \$22,778,264.00. The contract amount differences between the two contracts are provided in the table below.

| Contract Comparison | | | |
|---|------------------------|---|------------------------|
| Previous Contract LGC Global, Inc. 2022-2026 | | New Proposed Contract LGC Global, Inc. 2025-2029 | |
| Description | Cost | Description | Cost |
| Duration 4/1/2022 - 3/31/2026 | \$22,778,264.00 | Duration 4/1/2025 - 3/31/2029 | \$26,782,697.00 |

GLWA’s previous Contract No. 2004889 Specialized Services, started work on 4/1/2022 and is set to expire on 3/31/2026 (4 years). At the December 2021 O&R Committee Meeting, GLWA Contract No. 2004889 was introduced as an \$11,389,132.00 not to exceed contract for a duration of two years with two optional one-year renewal options at a cost of \$5,694,556.00 per year, for a total of \$22,778,264.00 and Amendment No. 3 was a no additional funds cost adjustment to the trade labor rates of contract cost summary.



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The new Proposed Contract No. 2401236 covers 2 years; comprised of a \$9,591,348.50 base contract plus \$3,800,000.00 in allowances for materials, subcontractors, and equipment, totaling \$13,391,348.50. Excluding the allowances the base contract is \$4,795,674.25 per year and \$6,695,674.25 per year with the allowances. The estimated annual cost is greater than the budgeted amount for previous Contract No. 2004889 average annual cost of \$6,094,566.00 but it's less than the actual average cost of \$8,126,088.00 as the contract will be terminated early (3 years versus the scheduled 4-year duration).

This contract is within the range of the past contract.