



**Financial Services Group**  
**Procurement**  
 735 Randolph Street, Suite 1508  
 Detroit, Michigan 48226  
 Phone: 313-964-9157

**Procurement Report**

**Date: December 19, 2019**  
**To: Sue McCormick, Chief Executive Officer**  
**From: Dan Edwards, Procurement Manager**  
**Re: Procurement Report**

General Information			
Contract Number:	1803769	Project Owner:	Eric Kramp
Contract Title:	Lake Huron Water Treatment Plant – Low Lift, High Lift, Wash Water Pumping Improvements, Electrical Improvements, and Miscellaneous Chemical Improvements		
Vendor:	Arcadis of Michigan, LLC		
Budget:	Capital Project		
Contract Length:	3,063 Days		

**Procurement Method**

Request for Proposal (RFP) Qualification Based Selection (QBS) – Evaluation Committee			
Advertised:	May 23, 2019	Addendums released:	7
Distributed to:	105	Downloaded by:	105
Response due date:	July 22, 2019	Responses received:	3

**Negotiated Cost Schedule**

Arcadis of Michigan, LLC		
Description	Original Proposal	Negotiated
<b>Task 1 - Project Kickoff Meeting</b>		
Project Kickoff Meeting	\$ 35,878.09	\$35,878.09
<b>Task 2 – Project Management</b>		
Project Work Plan	10,150.00	10,150.00
Work Breakdown Structure	12,178.14	12,178.14
Preliminary Schedule	21,817.44	21,817.44
QA/QC Plan	20,268.86	20,268.86
Document Control Plan	17,095.00	17,095.00
Cost-loaded Project Schedule (Baseline)	13,838.24	13,838.24
Monthly Cost-Loaded Project Schedule Updates (QTY 100)	162,310.41	195,554.71
Other Project Management Costs	658,408.41	793,263.14



**Negotiated Cost Schedule (cont'd)**

<b>Arcadis of Michigan, LLC</b>		
<b>Description</b>	<b>Original Proposal</b>	<b>Negotiated</b>
<b>Task 3 Preliminary Design</b>		
Condition Assessment – High Lift Pumps 2-9	505,095.67	550,375.67
Condition Assessment – Low Lift Pumps 1 and 2	188,011.37	210,711.37
Condition Assessment – Wash Water Pumps 1-4	281,458.25	304,058.25
Condition Assessment – Phosphoric Acid System	55,111.94	55,111.94
Condition Assessment -- Electrical system not specifically already indicated to be demolished	12,587.34	12,587.34
Technical Memorandum – Control Valve and Actuator selection process	40,956.57	67,769.55
Technical Memorandum – Control Valve Actuator selection process *	31,412.98	0.00
Reference Memorandum – Authorities Having Jurisdiction (AHJs)	22,919.85	22,919.85
Technical Memorandum – Selection of materials matrix	40,863.30	40,863.30
Technical memorandum – Station Shutdown Plan during construction	99,560.01	99,560.01
Technical memorandum – Flushing and Chlorination Plan	35,789.59	35,789.59
Technical Memorandum – Physical Modeling of High Lift Suction Well	12,073.83	136,000.00
Technical Memorandum – Hydraulic Loop for pressure support the wash water system	31,859.68	31,859.68
Technical Memorandum – Improvements to minimize operator traffic in switch gear room	57,410.72	57,410.72
Geotechnical Investigation Report	37,841.55	37,841.55
Technical Memorandum – Economic Feasibility of VFDs 2, 8, and 9	31,399.84	31,399.84
Technical Memorandum -- Exterior Building Rehabilitation, Site, HVAC, Plumbing, Architectural, Civil, Structural, and Drainage Improvements	18,920.88	72,947.48
Technical Memorandum – HVAC and plumbing systems improvements *	29,676.18	0.00
Technical Memorandum – Construction and/or Procurement Big Package Optimization	31,263.01	31,263.01
Technical Memorandum – Pump Arrangement Recommendation and Boundary Condition Analysis	61,882.80	61,882.80
Documentation of inconsistencies between the as-built documentation and the three-dimensional scanning required as part of the preliminary design (Including scans, etc). Delivery of Model of Scanned Spaces	77,874.34	77,874.34
Hazardous Materials Testing and Report	61,336.67	39,200.00
Topographic and Property Survey	106,036.58	106,036.58



**Negotiated Cost Schedule (cont'd)**

<b>Arcadis of Michigan, LLC</b>		
<b>Description</b>	<b>Original Proposal</b>	<b>Negotiated</b>
Arc Flash Study and Short Circuit Preliminary Documents	8,948.69	8,948.69
Technical Memorandum – Architectural/Civil, structural and site improvements *	23,554.31	0.00
Technical Memorandum – Drainage Improvements	10,005.95	0.00
Technical Memorandum – Electrical system improvements	28,182.60	28,182.60
Technical Memorandum – Instrumentation and control and SCADA/ Ovation improvements including flow metering improvements, power metering and new station control strategy	51,396.46	51,396.46
Preliminary Basis of Design Report	139,403.69	139,403.69
Comment Resolution Letter	20,524.50	20,524.50
Final Basis of Design Report	98,628.67	98,628.67
Final bound basis of design report that provides an executive summary of the project, all final reference and technical memorandum, comment resolution letters, and any other pertinent information developed as part of this project.	46,816.00	46,816.00
<b>Task 4 Final Design</b>		
Technical memorandum – Liquidated and Special Damages	20,479.87	20,479.87
Completed permit applications and issued permits	24,170.08	24,170.08
60% Design Package	222,684.08	222,684.08
60% Constructability and buildability review report	22,108.04	22,108.04
60% Engineer's opinion of probable cost	72,754.36	72,754.36
60% proposed construction schedule	10,639.89	10,639.89
60% design review workshop	21,174.38	21,174.38
Technical Memorandum – Field verification of tie-in points	29,104.64	29,104.64
90% Design Package	258,854.64	258,854.64
90% Constructability and buildability review report	21,008.79	21,008.79
90% Engineer's Opinion of Probable Cost	72,754.36	72,754.36
90% Proposed Construction Schedule	9,907.06	9,907.06
90% design review workshop	21,374.38	21,374.38
60% Asset Change Form	7,283.10	7,283.10
90% Asset Change Form	7,283.10	7,283.10
100% Design Package	236,001.08	236,001.08
100% Asset Change Form	7,283.10	7,283.10
100% Engineer's Opinion of Probable Cost	73,120.78	73,120.78



**Negotiated Cost Schedule (cont'd)**

<b>Arcadis of Michigan, LLC</b>		
<b>Description</b>	<b>Original Proposal</b>	<b>Negotiated</b>
100% Proposed Construction Schedule	9,907.06	9,907.06
Presentation to the GLWA Analytical Work Group	19,250.00	19,250.00
Packaging of Final project report that provides an executive summary of the project, the final technical memoranda, comment resolution letters, biddability/constructability reviews report, and any other pertinent information developed as part of this project.	39,484.03	39,484.03
Development of Bid Package 1 (Phosphoric Acid Improvements and Phosphate Free Process Water System Demolition)	67,490.01	104,512.66
Development of Bid Package 2 (Electrical System Improvements)	67,490.01	126,972.07
Development of Bid Package 3 (HL, WW, and LL Pumping System Improvements)	126,972.07	207,409.77
Development of Bid Package 4 *	126,972.07	0.00
Development of Bid Package 5 *	126,972.07	0.00
Efforts associated with acquiring energy provider incentives for improved energy efficiency if available	31,329.41	31,329.41
<b>Task 5 Bid and Negotiation</b>		
Pre-bid Meetings & Tours	54,934.25	42,454.18
Pre-bid meetings summary notes	23,246.80	17,435.73
Bid evaluations, and recommendation letters	104,923.35	86,774.46
Pre-award meetings, evaluations, and recommendation letters	33,789.60	26,890.11
Four sets of complete executed contracts, with one set of 22" by 34" and 11 by 27" drawings each	11,774.50	9,124.20
Eight sets of each conformed contract documents with corrections clearly annotated	48,439.60	41,415.86
<b>Task 6 Construction Administration</b>		
Construction Administration for Project 1 (Phosphoric Acid Improvements and Phosphate Free Process Water System Demolition)	349,804.50	209,886.81
Construction Administration for Project 2 (Electrical System Improvements)	365,081.63	365,081.63
Construction Administration for Project 3 (HL, WW, and LL Pumping System Improvements)	349,804.50	815,564.96
Construction Administration for Project 4 *	244,948.51	0.00
Construction Administration for Project 5 *	200,425.34	0.00



**Negotiated Cost Schedule (cont'd)**

<b>Arcadis of Michigan, LLC</b>		
<b>Description</b>	<b>Original Proposal</b>	<b>Negotiated</b>
<b>Task 7 Resident Project Representation</b>		
Resident Project Representation	1,488,245.00	2,056,031.32
<b>Task 8 System O&amp;M Manual Updating, SOPs and Training</b>		
System O&M Manual Updating, SOPs and Training	420,739.02	420,739.02
<b>Provisional Allowance</b>		
Provisional Allowance	700,000.00	700,000.00
Provisional Allowance Pump Parts **	0.00	200,000.00
Provisional Allowance Structural Finite Element Analysis **	0.00	100,000.00
Provisional Allowance Travel Costs **	0.00	100,000.00
<b>Total Cost Not to Exceed</b>	<b>\$9,400,757.47</b>	<b>\$10,465,656.11</b>

\*Items deleted during negotiations.

\*\*Contingency Allowance added by GLWA.

*Provisionary Allowance is an amount included in the Contract Price to reimburse the Consultant 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 Consultant.*

Benchmarking was completed by comparing the proposals for this project. This analysis confirmed that rates are in competitive range. The rate comparisons and allowances (if any) are illustrated in the attached document labeled cost tabulation.

**Evaluation and Scores**

Evaluation Committee: (Designation – Organization)
A – GLWA - Engineer
B – GLWA– Management Professional
C – GLWA - Manager
D – GLWA – Engineer



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**Procurement**

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The Evaluation Committee independently reviewed and scored the proposals in accordance with GLWA's policy. The rankings are below.

Maximum Score Possible: 100		
<b>Vendor (Highest to lowest score)</b>	<b>Score</b>	<b>Proposed Cost before Negotiations</b>
<b>Arcadis of Michigan, LLC</b>	<b>73.43</b>	<b>\$ 9,400,757.47</b>
<b>Brown &amp; Caldwell, LLC</b>	<b>62.79</b>	<b>\$ 8,319,830.99</b>
<b>Black &amp; Veatch Ltd of Michigan</b>	<b>60.43</b>	<b>\$ 11,843,281.00</b>

**Other Data Requested by GLWA Board Members**

Minority Business Enterprise (MBE): No

Detroit Based Business (DBB): No

Small Business Enterprise (SBE): No

Sub-Contractor(s) List: CDM Smith

Corrosion Probe, Inc.

FKE Engineering Associates

PEA Surveyors, Inc.

True Point Laser Scanning, LLC

Clemson Engineering Hydraulics, Inc

Atlantic Pump Advisors, LLC

Mechanical Solutions, Inc

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.