



Legislation Details (With Text)

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On agenda: 11/8/2017 **Final action:**

Title: GLWA-CON-089
Low Voltage Wiring

Sponsors: Jeffrey Small

Indexes: Information Technology

Code sections:

Attachments: 1. GLWA-CON-089 Approval Checklist Form, 2. GLWA-CON-089 RFB Bid Tabulation.pdf, 3. GLWA-CON-089 Rate Evaluation.pdf

Date	Ver.	Action By	Action	Result
11/8/2017	1	Operations and Resources Committee		

GLWA-CON-089

Low Voltage Wiring

Agenda of: November 29, 2017
Item No.: **2017-441**
Amount: \$5,887,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: **November 29, 2017**

RE: **Contract No.: GLWA-CON-089**
Low Voltage Wiring
Vendor: LGC Global, Inc.

MOTION

Upon recommendation of Jeffrey Small, Chief Information Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to enter into Contract No. GLWA-CON-089, "Low Voltage Wiring" with LGC Global, Inc., at a cost not to exceed \$5,887,000.00 for a duration of three (3) years; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

This contract is for the furnishing and installation of low voltage wiring systems including 110 volt wiring, telephone and data jack wiring, antenna mounting and connections, instrument wiring, network wiring, audio/video, paging systems and code call systems at GLWA facilities on a job order basis.

The growing demand for audio/video, computers/data lines, and telephones poses an increased challenge to not only maintain, but to continue to develop the communications infrastructure. As the SCADA system infrastructure ages, certain repairs are inherent. Antennas, radios and masts will require repair or replacement. Other projects require connectivity to the GLWA's networks and/or the public network. Construction is another constant element that requires the ongoing need for low voltage wiring services.

JUSTIFICATION

This procurement will provide the support needed to maintain and expand the infrastructure as needed. The work consists of providing low voltage wiring assistance under the direction of GLWA's Information Technology Group. Specifically, LGC Global Inc. will provide assistance to install and maintain GLWA's low voltage wiring systems including 110/220V power, audio/video, telephone indoor wiring and outside cable, data connections, antenna mounting and connections, instrument wiring, network wiring, fiber networks, paging systems and code call system. This work shall include system improvements and planning, system configuration and material procurement in support of the activities required completing each task.

The scope of services will include the following.

- Installation of low voltage power wiring and components
- Maintenance and repair of the telephone and data wiring systems
- Maintenance and repair of the Radio and Antenna systems
- Installation, maintenance and repair of the Fiber Network
- Maintenance of the Paging, PA, Code Call and speaker systems
- Maintenance and repair of the large UPS system
- Maintenance and replacement of the data network MDF and IDF equipment
- Installation of Instrumentation and associated low voltage wiring

Procurement Method: Competitively bid - Request for Bids (RFB)

Advertised: August 21, 2017

On Michigan Inter-governmental Trade Network (MITN) website.

Distributed to: 227 vendors

Downloaded by: 47 vendors

Addendums released: 0
Response due date: September 18, 2017
Responses received: Seven (7) vendors' submitted bids

Evaluation Method: Lowest cost, responsive and responsible bidder

<u>Vendor (Lowest Cost to Highest)</u>	<u>Cost</u>
LGC Global, Inc.	\$5,887,000.00
Trendset Communications Group, LLC	\$5,975,440.00
Worldview Technologies	\$6,168,600.00
DES Electric LLC	\$6,305,787.20
SHAW Electric Co.	\$6,739,570.40
Rotor Electric Company of Michigan, LLC	\$6,838,800.00
Power Design Electric, LLC	\$7,414,360.00

The Information Technology Group recommends that LGC Global, Inc. be awarded this contract.

Minority Business Enterprise (MBE): Yes
Detroit Based Business (DBB): Yes
Small Business Enterprise (SBE): Yes

Sub-Contractor(s) List:

Ben's Electric, Inc.

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.

Project Estimate

The Project Manager’s pre-bidding estimate for this service was \$6,000,000.00.

Project Costs

The contract costs are as follows:

Contract Price	\$3,087,000.00
Material Allowance	\$1,500,000.00
Subcontractor Allowance	\$300,000.00
Provisional Allowance*	\$1,000,000.00

Total Contract Price **\$5,887,000.00**

**An amount 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.*

The previous contract, DWS-885, As-Needed Low Voltage Wiring III, original contract amount was \$4,669,337.67. Two change orders were subsequently issued which increased the total contract amount by \$2,750,000 and time extension of 365 days. Therefore, the total contract costs were \$7,419,337.67 and the total contract duration was four (4) years. This results in an average spend of \$1,854,834.42 per year for those four years. Based upon this new contract, the average annual spend is expected to be \$1,962,333 commensurate with the increase in need for this service and with the financial plan.

BUDGET IMPACT

The services under this contract are primarily allocable to the operations and maintenance budget which may or may not be capitalizable depending upon the nature of the expenditure.

The Low Voltage Wiring Contract is budgeted in cost center 883331 - Information Technology Infrastructure (GL String is 5910-883331.000-901050-WS7900) and cost center 882301 - Systems Operations Control (GL String is 9510-882301.000-617900-WS7810) The amounts for this type of contractual service are provided for in the financial plan for FY 2018 to FY 2021 as shown below, recognizing that the three year contract will begin midway through FY 2018.

Cost Center	FY 2018	FY 2019	FY 2020	FY 2021
IT Infrastructure	\$771,360.94	\$1,322,333.00	\$1,322,333.00	550,973.06
Systems Operations	373,333.38	640,000.00	640,000.00	266,666.62
Total	\$1,144,694.32	\$1,962,333.00	\$1,962,333.00	817,639.68

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

The award of this contract provides a positive budget estimating variance of \$113,000 (budget

amount \$6,000,000 less contract amount \$5,877,000). Sufficient data is not presently available to quantify additional savings from improved operational efficiency.

ADDITIONAL OPTIMIZATION INFORMATION

Previous Vendor: DES (DWSD-885 and GLWA-CON-167)

Benchmarking was completed by comparing rates across various GLWA contracts and indicate that LGC Global, Inc.'s rates are in competitive range. The rate comparisons are illustrated in the attached document labeled "Rate Evaluation for GLWA-CON-089." This analysis demonstrates that the new contract has an overall favorable hourly rate when compared with prior contracts.

COMMITTEE REVIEW

This matter was reviewed by the Operations and Resources Committee at its meeting on November 8, 2017.

SHARED SERVICES IMPACT

This item is being procured as a contract for services for GLWA only and does not directly impact the shared services agreement between GLWA and DWSD. DWSD has secured a contract for like services at DWSD.