

Trustees Scott Ruggles Liz Fessler Smith Andrea C. Voorheis Michael Powell

# WHITE LAKE TOWNSHIP DEPARTMENT OF PUBLIC SERVICES

7525 Highland Road, White Lake, Michigan 48383-2900, (248) 698-7700, www.whitelaketwp.com

July 7, 2023

Honorable Board of Trustees Charter Township of White Lake 7525 Highland Road White Lake, MI 48383

### Re: Resolution 23-020 – Tentative Award of Construction Contract CWSRF 5800-01

Honorable Board of Trustees,

In January and early February 2022, White Lake and DLZ Engineering of Michigan had been in discussions with the State Revolving Fund regarding The American Rescue Plan Act (ARPA) and Infrastructure Investment and Jobs Act (IIJA) monies being allocated through the State Revolving Funds. The Township Board approved the project plan development at the February 17, 2022 Special Board Meeting. The Final Project Plan was presented and adopted by Resolution 22-021 at the May 17, 2022 Regular Board Meeting.

On October 31, 2022, DPS was notified by the State Revolving Fund that our Project 5800-01 is now fundable for Fiscal Year 2023 (FY23) for a CWSRF \$2,855,000 loan and that we would qualify for 10% (\$285,000) principal forgiveness.

The public bid opening was held June 26, 2023. The apparent low bidder was Lanzo Construction Company. The bids came back higher than estimated. Due to this DPS has reduced the scope of the project plan to stay within the project plan budget approved by the State Revolving Fund. Lanzo has agreed to maintain unit pricing contained in the bid for the reduced scope.

I request the Township Board approve Resolution 23-020 – Tentative Award of Construction Contract CWSRF 5800-01, in an amount not to exceed \$2,337,774.63 pending approval of the other related resolutions and contract awards on this meeting agenda. I request the Township Supervisor be authorized to execute the agreement.

Please feel free to contact me if you have any questions.

Sincerely,

Aaron Potter

# CHARTER TOWNSHIP OF WHITE LAKE OAKLAND COUNTY, MICHIGAN RESOLUTION #23-020

# TO TENTATIVELY AWARD A CONSTRUCTION CONTRACT FOR WASTEWATER SYSTEM IMPROVEMENTS

At a regular meeting of the Township Board of the Charter Township of White Lake, Oakland County, Michigan, held in Township Annex, 7527 Highland Road, White Lake, Michigan, on the 18<sup>th</sup> day of July 2023, at 7:00 p.m. With those present and absent being,

ABSENT:

The following preamble and resolution were offered by \_\_\_\_\_and seconded by \_\_\_\_\_.

**WHEREAS**, the Charter Township of White Lake wishes to construct improvements to its existing wastewater treatment and collection system; and

**WHEREAS**, the wastewater system improvements project formally adopted on May 18, 2022, Resolution #22-021 will be funded through Michigan's CWSRF; and

WHEREAS, the Charter Township of White Lake has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$3,128,178.00 from Lanzo Construction Company; and

**WHEREAS**, the project engineer, DLZ Michigan, Inc., has recommended reducing the project quantities to stay within original project budget of \$2,337,744.63 and awarding the contract to the low bidder at a value of \$2,337,744.63. Also, whereas, the low bidder, Lanzo Construction Company has agreed to honor their as bid unit prices to accommodate this reduction in contract value, based on reduced quantities.

**NOW THEREFORE BE IT RESOLVED**, that the Charter Township of White Lake tentatively awards the contract for construction of the proposed wastewater system improvements project to Lanzo Construction Company *(name of the contractor)*, contingent upon successful financial arrangements with the CWSRF.

PRESENT: Rik Kowall, Anthony L. Noble, Mike Roman, Scott Ruggles, Liz Smith, Andrea C. Voorheis, and Michael Powell.

A vote on the foregoing resolution was taken and was as follows:

Ayes: Nays: Absent:

## THE SUPERVISOR DECLARED THE RESOLUTION ADOPTED.

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STATE OF MICHIGAN ) )ss COUNTY OF OAKLAND )

I, the undersigned, the Clerk of the Charter Township of White Lake, County of Oakland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted at a regular meeting of the Township Board of said Township held on 18<sup>th</sup> day of July 2023, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the provisions of the Open Meetings Act, as amended.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 18<sup>th</sup> day of July, 2023.

Anthony L. Noble, Clerk Charter Township of White Lake



INNOVATIVE IDEAS EXCEPTIONAL DESIGN UNMATCHED CLIENT SERVICE

July 6, 2023

Mr. Rik Kowall Supervisor Charter Township of White Lake 7525 Highland Road White Lake, MI 48383

**RE:** CWSRF Sanitary Sewer Lining Project

Dear Mr. Kowall

White Lake Township received bids on June 26, 2023, for the Clean Water State Revolving Fund (CWSRF) Project for improvements to the Township sanitary sewer system. Please find attached the tabulation of bids opened on June 26, 2023. Bid bonds of the two low bidders will be held until the contract is awarded.

The project was advertised by the Township for a period of 34 days. This effort resulted in five bids received on the project. The lowest bid was submitted by Lanzo Construction Company in the amount of \$3,128,178.00. The bids have been examined and found to be in order.

An engineering construction estimate was put together as part of the CWSRF Project Plan in May of 2022 with an estimated construction cost of \$2,337,774.63. After review and discussion with bidders there were a few factors that contributed to the cost difference. General cost increases in the lining materials and labor, the complexity of the required bypass pumping operation, and the location of manholes and the significance of traffic impact all played a role in the increased cost of the project. Additionally, unlike smaller diameter lining, we understand there is no robotic tool to re-establish the service connections in the larger pipe, so this is done by manned entry which adds significantly to the cost.

DLZ contacted references for Lanzo Construction Company and found that the consensus was that they perform satisfactory work, within budget and without unwarranted change orders.

Through discussions with DPS Director Potter, DLZ understands the Township may not have available funds to cover the difference between the construction estimate and the as bid pricing. With this being the case DLZ has reached out to EGLE and the low bidder to see if project quantities could be reduced to still accomplish the most vulnerable portion of the project while sticking within the limits of the original estimate. Kip Mitchell from EGLE confirmed that reducing the project quantities would not impact the project eligibility

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INNOVATIVE IDEAS EXCEPTIONAL DESIGN UNMATCHED CLIENT SERVICE CWSRF Sanitary Sewer Lining Project Recommendation Page 2 of 2

or the permit for the work. Lanzo Construction Company indicated they would be agreeable to reducing the project quantities to stay within the value of the original estimate provided the work to be performed was contiguous and not broken up.

DLZ recommends starting the lining at the northern end where previously proposed, and lining as much pipe and manholes to the south as budget will allow. As the northern end of this pipe run is where the highest concentration of hydrogen sulfide is observed, it would take care of the most significantly impacted pipe. The remaining unlined pipe and manholes would need to be monitored by Township DPS for signs of further degradation due to hydrogen sulfide.

The submitted bid received for the project is above the project estimate, and the contractor bidding the project is willing to perform to the lesser contract amount via reduced quantities and / or value engineering and is known to be capable of completing the work. DLZ recommends the Township award a contract to Lanzo Construction Company, Inc. of Roseville, Michigan for the White Lake CWSRF Sanitary Sewer Lining project in the reduced amount of \$2,337,774.63, based on the reduced quantities. As this is a CWSRF project there will be an automatic 6% contingency that the State will allow under the program in case any unforeseen conditions arise. The contract documents include provisions for a bid hold period of 90 days to accommodate the public hearings, financing, and legal agreements necessary to secure financing through the CWSRF program.

Please feel free to call me if you have any questions on this information.

Sincerely,

UN fear

Michael Leuffgen, P.E. Department Manager

CC: Aaron Potter, DPS Director, White Lake Township

Attachments: Bid Tab Email from Kip Mitchell at EGLE Re: Reduced Quantities Email from John D'Alessandro Re: Reduced Quantities

#### Charter Township of White Lake CWSRF Sanitary Sewer Relining Manhole Repair Bid Tabulation Breakdown

				Lanzo Construc	tion	Company	Inliner Sol	utio	ons LLC	D.V.M. Ut	tilitie	es, Inc.	I	nsituform Techr	nolog	gies USA, LLC	SAK Constr	ucti	on, LLC
	Description	Unit	Estimated Quantity	Bid Price	B	Bid Amout	Bid Price		Bid Amount	Bid Price		Bid Amount		Bid Price		Bid Amount	Bid Price		Bid Amount
1	Mobilization	LSUM	1	\$ 63,200.00	\$	63,200.00	\$ 50,000.00	\$	50,000.00	\$ 135,000.00	\$	135,000.00	\$	40,000.00	\$	40,000.00	\$ 64,000.00	\$	64,000.00
2	Televise (21"-30")	LSUM	1	\$ 22,000.00	\$	22,000.00	\$ 90,000.00	\$	90,000.00	\$ 58,000.00	\$	58,000.00	\$	7,500.00	\$	7,500.00	\$ 75,000.00	\$	75,000.00
3	Taffic Control	LSUM	1	\$ 101,000.00	\$	101,000.00	\$ 40,000.00	\$	40,000.00	\$ 175,000.00	\$	175,000.00	\$	101,009.13	\$	101,009.13	\$ 295,000.00	\$	295,000.00
4	Cleaning	LF	13677	\$ 16.00	\$	218,832.00	\$ 6.00	\$	82,062.00	\$ 5.50	\$	75,223.50	\$	16.98	\$	232,235.46	\$ 6.00	\$	82,062.00
5	Heavy Duty Cleaning	LF	1367	\$ 30.00	\$	41,010.00	\$ 6.00	\$	8,202.00	\$ 12.50	\$	17,087.50	\$	5.11	\$	6,985.37	\$ 12.00	\$	16,404.00
6	CIP Lining Gravity Sewer 21-inch	LF	35	\$ 300.00	\$	10,500.00	\$ 175.00	\$	6,125.00	\$ 400.00	\$	14,000.00	\$	637.50	\$	22,312.50	\$ 2,270.00	\$	79,450.00
7	CIP Lining Gravity Sewer 27-inch	LF	1198	\$ 144.00	\$	172,512.00	\$ 165.00	\$	197,670.00	\$ 167.00	\$	200,066.00	\$	182.07	\$	218,119.86	\$ 217.00	\$	259,966.00
8	CIP Lining Gravity Sewer 30-inch	LF	12443	\$ 168.00	\$ 3	2,090,424.00	\$ 195.00	\$	2,426,385.00	\$ 200.00	\$	2,488,600.00	\$	273.94	\$	3,408,635.42	\$ 253.00	\$	3,148,079.00
9A	CIP Lining Gravity Sewer 48-Dia	EA	22	\$ 5,000.00	\$	110,000.00	\$ 6,000.00	\$	132,000.00	\$ 4,600.00	\$	101,200.00	\$	4,685.67	\$	103,084.74	\$ 5,287.00	\$	116,314.00
9B	CIP Lining Gravity Sewer 60-Dia	EA	6	\$ 3,500.00	\$	21,000.00	\$ 6,000.00	\$	36,000.00	\$ 4,000.00	\$	24,000.00	\$	3,233.24	\$	19,399.44	\$ 3,930.00	\$	23,580.00
9C	CIP Lining Gravity Sewer 72" Dia	EA	6	\$ 7,800.00	\$	46,800.00	\$ 6,000.00	\$	36,000.00	\$ 6,950.00	\$	41,700.00	\$	7,058.69	\$	42,352.14	\$ 8,320.00	\$	49,920.00
10	Rim and Cover Repair	EA	3	\$ 2,500.00	\$	7,500.00	\$ 3,500.00	\$	10,500.00	\$ 2,000.00	\$	6,000.00	\$	7,159.94	\$	21,479.82	\$ 5,000.00	\$	15,000.00
11	Lateral Reinstatement	EA	240	\$ 210.00	\$	50,400.00	\$ 425.00	\$	102,000.00	\$ 115.00	\$	27,600.00	\$	58.47	\$	14,032.80	\$ 100.00	\$	24,000.00
12	Pavement Removal	SYD	10	\$ 300.00	\$	3,000.00	\$ 750.00	\$	7,500.00	\$ 85.00	\$	850.00	\$	613.71	\$	6,137.10	\$ 600.00	\$	6,000.00
13	Bypass Pumping	LSUM	1	\$ 138,000.00	\$	138,000.00	\$ 300,000.00	\$	300,000.00	\$ 185,000.00	\$	185,000.00	\$	16,953.94	\$	16,953.94	\$ 848,000.00	\$	848,000.00
14	Restoration	LSUM	1	\$ 12,000.00	\$	12,000.00	\$ 5,000.00	\$	5,000.00	\$ 10,000.00	\$	10,000.00	\$	15,000.00	\$	15,000.00	\$ 36,000.00	\$	36,000.00
15	Permit Allowance	LSUM	1	\$ 20,000.00	\$	20,000.00	\$ 20,000.00	\$	20,000.00	\$ 20,000.00	\$	20,000.00	\$	20,000.00	\$	20,000.00	\$ 20,000.00	\$	20,000.00
	Total Bid Price				\$ 3	3,128,178.00		\$	3,549,444.00		\$	3,579,327.00			\$	4,295,237.72		\$	5,158,775.00

## Michael Leuffgen

From:	Mitchell, Kip (EGLE) <mitchellk16@michigan.gov></mitchellk16@michigan.gov>
Sent:	Thursday, July 6, 2023 10:40 AM
То:	Michael Leuffgen
Cc:	Peterson, Sarah (EGLE); Tim Currie; Aaron Potter
Subject:	RE: CWSRF 5800-01 - Eligibility Question

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### Hi Mike,

Thank you for reaching out with this update. Scaling back the quantity of work will not impact the eligibility, scoring, or permitting for this project. A brief clarification for each of these categories is below.

- 1) The project eligibility will not change. This was determined earlier in the SRF process and at this point all the work proposed for the project is eligible. So, reducing the scope of work does not change the eligibility. There will just be less of the eligible work that falls within the funding that is awarded to the project.
- 2) The scoring to determine if the project falls in the fundable range was also determined earlier in the SRF process. The score was determined based on the "type" of work (in this case sewer lining), not necessarily the quantity of work being done. Since the reduction of project scope does not "delete" any of the "type" of work that was initially scored, the project score would not change and therefore the scaled back project is still in the fundable range.
- 3) The Part 41 Permit was issued for the original construction estimate, but a reduction in scope does not require a change to the Part 41 Permit. All the work that is proposed based on the revised plan was previously permitted, and that Permit is still valid for a reduced scope.

I hope this clarifies these items for you. If you have any further questions, please feel free to reach out.

Thank you,

Kip W. Mitchell Environmental Engineer Water Resources Division/Warren District Office Michigan Department of Environment, Great Lakes, and Energy 586-256-5189 | Mitchellk16@michigan.gov Follow us | Michigan.gov/EGLE

From: Michael Leuffgen <mleuffgen@dlz.com>
Sent: Wednesday, July 5, 2023 3:19 PM
To: Mitchell, Kip (EGLE) <MitchellK16@michigan.gov>
Cc: Peterson, Sarah (EGLE) <PetersonS12@michigan.gov>; Tim Currie <tcurrie@dlz.com>; Aaron Potter
<apotter@whitelaketwp.com>
Subject: CWSRF 5800-01 - Eligibility Question

CAUTION: This is an External email. Please send suspicious emails to abuse@michigan.gov

Kip, I was discussing the White Lake Sanitary Sewer lining project with Sarah Peterson today. The bids came in above the construction estimate presented on the project plan. My question to you is if the Township wanted to scale back the quantity of pipe/manhole lining to stay within the original budget, would that impact eligibility through the CWSRF program?

- Original Construction Estimate (from Project Plan): \$2,337,744.63
- Low bid (Lonzo Construction Company): \$3,128,178.00

We have attached a rough updated plan, and updated bid tab that shows the approximate quantities that we would need to remove from the project to stay within the estimated construction cost. Can you comment on project eligibility if we scale the quantities back to concentrate on lining as much of the northern section of pipe as possible within the original budget?

### Michael Leuffgen | Department Manager

+12488364057 (office) | 248-240-1019 (cell) mleuffgen@dlz.com | www.dlz.com



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## **Michael Leuffgen**

From:	John D'Alessandro <johnd@lanzo.org></johnd@lanzo.org>
Sent:	Thursday, July 6, 2023 3:35 PM
То:	Tim Currie
Cc:	Michael Leuffgen; Sal D'Alessandro
Subject:	CWRSRF Sanitary Sewer Relining White Lake
Attachments:	Bid Tabulation Spreadsheet - Updated Quantities.pdf

EXTERNAL: Message origin is from an external network. Use proper judgment and caution when opening attachments, clicking links, or responding to this email.

Dear Mr. Currie,

As discussed, and after further review, Lanzo can perform the required work at the revised/reduced quantities for the 30" CIPP and Manhole Rehabilitation (Breakdown Attached) along with the remaining contract items at the unit prices submitted.

All of the terms and conditions along with the contract completion dates are applicable.

If you have any questions or if I may be of further assistance please feel free to contact me.

Thank you,

John D'Alessandro General Manager

Lanzo Companies, Inc 28135 Groesbeck Highway Roseville, Michigan 4806 johnd@lanzo.org 586-775-7566 Office 954-868-0792 Mobile www.lanzo.net



Building and restoring sustainable infrastructure to support the needs of our communities

		Adjusted les to fit Proje Driginal Proje															
	Description	Estimate Unit Estimated Quantity		Lanzo Construction Company Bid Price Bid Amout					Inliner So Bid Price	ons LLC Bid Amount		D.V.M. Utili Bid Price		ities, Inc. Bid Amount			
1	Mobilization	LSUM	1	\$	63,200.00	\$	63,200.00	\$	50,000.00	\$	50,000.00	\$	135,000.00	\$	135,000.00		
2	Televise (21"-30")	LSUM	1	\$	22,000.00	\$	22,000.00	\$	90,000.00	\$	90,000.00	\$	58,000.00	\$	58,000.00		
3	Taffic Control	LSUM	1	\$	101,000.00	\$	101,000.00	\$	40,000.00	\$	40,000.00	\$	175,000.00	\$	175,000.00		
4	Cleaning	LF	13677	\$	16.00	\$	218,832.00	\$	6.00	\$	82,062.00	\$	5.50	\$	75,223.50		
5	Heavy Duty Cleaning	LF	1367	\$	30.00	\$	41,010.00	\$	6.00	\$	8,202.00	\$	12.50	\$	17,087.50		
6	CIP Lining Gravity Sewer 21-inch	LF	35	\$	300.00	\$	10,500.00	\$	175.00	\$	6,125.00	\$	400.00	\$	14,000.00		
7	CIP Lining Gravity Sewer 27-inch	LF	1198	\$	144.00	\$	172,512.00	\$	165.00	\$	197,670.00	\$	167.00	\$	200,066.00		
8	CIP Lining Gravity Sewer 30-inch	LF	7905	\$	168.00	\$	1,328,040.00	\$	195.00	\$	1,541,475.00	\$	200.00	\$	1,581,000.00		
9A	CIP Lining Gravity Sewer 48-Dia	EA	3	\$	5,000.00	\$	15,000.00	\$	6,000.00	\$	18,000.00	\$	4,600.00	\$	13,800.00		
9B	CIP Lining Gravity Sewer 60-Dia	EA	6	\$	3,500.00	\$	21,000.00	\$	6,000.00	\$	36,000.00	\$	4,000.00	\$	24,000.00		
9C	CIP Lining Gravity Sewer 72" Dia	EA	6	\$	7,800.00	\$	46,800.00	\$	6,000.00	\$	36,000.00	\$	6,950.00	\$	41,700.00		
10	Rim and Cover Repair	EA	3	\$	2,500.00	\$	7,500.00	\$	3,500.00	\$	10,500.00	\$	2,000.00	\$	6,000.00		
11	Lateral Reinstatement	EA	240	\$	210.00	\$	50,400.00	\$	425.00	\$	102,000.00	\$	115.00	\$	27,600.00		
12	Pavement Removal	SYD	10	\$	300.00	\$	3,000.00	\$	750.00	\$	7,500.00	\$	85.00	\$	850.00		
13	Bypass Pumping	LSUM	1	\$	138,000.00	\$	138,000.00	\$	300,000.00	\$	300,000.00	\$	185,000.00	\$	185,000.00		
14	Restoration	LSUM	1	\$	12,000.00	\$	12,000.00	\$	5,000.00	\$	5,000.00	\$	10,000.00	\$	10,000.00		
15	Permit Allowance	LSUM	1	\$	20,000.00	\$	20,000.00	\$	20,000.00	\$	20,000.00	\$	20,000.00	\$	20,000.00		
	Total Bid Price					\$	2,270,794.00			\$	2,550,534.00			\$	2,584,327.00		