



January 15, 2025

Mr. Sean O'Neil
Community Development Director
White Lake Charter Township
7525 Highland Road
White Lake, MI 48383

RE: White Lake Charter Township New Civic Center Development
New Township Hall Building

SUBJ: Electrical Contractor Change and Contract Amendment #5

Dear Mr. O'Neil,

Per our September 10, 2024 Contract Award Recommendation, a contract award was recommended for Bid Division 143: Electrical to Axis Electric, LLC. Based upon the Board's acceptance, a letter of intent was issued to Axis Electric on September 17, 2024 for this contract.

As you may recall, as part of the post bid interview process, a vetting of this bidder was performed including; Reference checks on past projects and contacting the Bond Company agent. This research indicated to the Team the contractor would be capable of performing the work. This information, combined with the Axis Electric's eagerness and assuredness of their capabilities to perform the work, led the Team to this recommendation.

Subsequent to issuance of the Letter of Intent, numerous contacts were made to have the contractor provide the necessary documents in order to complete the requirements of entering into contract, including the furnishing of a Performance and Labor and Material Bonds. A subsequent demand letter was issued to Axis Electric on December 13, demanding the furnishing of the PLM Bonds and critical long lead item shop drawings be provided by December 17, 2024. The requirement of the Furnishing of PLM Bonds was again not met.

Last, an in-person meeting was held with ownership of Axis Electric and representative from their bond company agency on Monday, January 6, 2025 at our office. It was at this meeting Axis Electric stated that they had discovered an error within their bid and would be unable to enter contract. We asked they review their situation and provide a formal determination, in writing, whether they would enter into contract for their bid amount or decline. On January 8, 2025 we received formal notice of their intent to withdraw their bid.

Based upon this situation, we are recommending the award be amended to revise the contract award to O'Donnell Electric. We have met with representatives of O'Donnell Electric. They are willing to honor their bid as submitted on August 8, 2024. They are confident they can comply with the project schedule requirements as well.

Based upon the above we are making the following recommendation, which will result in a subsequent contract amendment to incorporate this change as follows:



Rescind the contract award recommendation to:

Bid Division 143: Electrical

Axis Electric, LLC

Edward McCrary

607 Shelby Street, Suite 716

Detroit, MI 48226

Base Bid \$ 1,946,040.00

PLM Bond (NGM Insurance Company) \$ 39,789.00

Total \$ (1,985,829.00)

(The Project Team will assist the Township in seeking recourse against Axis Electric, LLC's 5% Bid Security for failing to enter into contract)

Make contract award recommendation to:

Bid Division 143: Electrical

O'Donnell Electric, LLC

Jim O'Donnell

1477 East North Territorial Road

Whitmore Lake, MI 48189

Base Bid \$ 2,334,300.00

PLM Bond (Old Republic Insurance Company) \$ 29,000.00

Total \$ 2,363,300.00

TOTAL (AMENDMENT #5): \$377,471.00

We trust this recommendation will be acceptable to the Administration and the Board of Trustees. Should you have any questions or require further clarification, please do not hesitate to contact me.

Sincerely,

Aaron A. Phillips

Aaron A. Phillips

Project Director

McCarthy & Smith, Inc.

CC: Mr. Rik Kowall, Charter Township of White Lake
Mr. Anthony L. Noble, Charter Township of White Lake
Mr. Michael Roman, Charter Township of White Lake
Mr. William McCarthy, McCarthy & Smith, Inc.
File