



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 17-0070 **Version:** 1 **Name:**

Type: Contract **Status:** Passed
In control: Field Services

On agenda: 4/19/2017 **Final action:** 4/19/2017

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into Contract No. DWS-902 "Repair of Pavement, Sidewalks, Driveways, and Curb Cuts in Various Locations Throughout the City of Detroit" with Gorgi Concrete LLC/Major Cement Company, Joint Venture (Contractor) at a cost not to exceed \$23,681,475.00 for a duration of 1095 calendar days, contingent upon extension of contract by one-year with no additional dollars, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Finance Committee

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------------|--------------------------|--------|
| 4/19/2017 | 1 | Board of Water Commissioners | approved | Pass |
| 4/10/2017 | 1 | Finance Committee | recommended for approval | Pass |

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. DWS-902 "Repair of Pavement, Sidewalks, Driveways, and Curb Cuts in Various Locations Throughout the City of Detroit" with Gorgi Concrete LLC/Major Cement Company, Joint Venture (Contractor) at a cost not to exceed \$23,681,475.00 for a duration of 1095 calendar days, contingent upon extension of contract by one-year with no additional dollars**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of April 19, 2017

Item No. 17-0070

Proposed Contract No. DWS-902

Project Length: 1095 Calendar Days

Estimated Start Work Date: June 1, 2017

Estimated Completion Date: June 1, 2020

Amount: \$23,681,475.00

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director
Water and Sewerage Department

RE: **Proposed DWSD Contract No. DWS-902 "Repair of Pavement, Sidewalks, Driveways, and Curb Cuts in Various Locations Throughout the City of Detroit"**
Contractor: Giorgi Concrete LLC/Major Cement Company, Joint Venture

Designer: DWSD

MOTION

Upon recommendation of Palencia Mobley, Deputy Director/Chief Engineer, the Board of Water Commissioners authorizes the Director to **enter into Contract No. DWS-902, "Repair of Pavement, Sidewalks, Driveways, and Curb Cuts in Various Locations Through the City of Detroit" with Giorgi Concrete LLC/Major Cement Company, Joint Venture (Contractor), at a cost not-to-exceed \$23,681,475.00 for a duration of 1,095 calendar days, contingent upon extension of contract by one-year with no additional dollars**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

JUSTIFICATION

This project is part of the maintenance work of the Detroit Water and Sewerage Department (DWSD). In order to repair the leaks and breaks in DWSD's water mains and sewers, DWSD and the contractor's repair work crews are required to open-cut street pavements, sidewalks and driveway areas throughout the City, to expose and repair the leaking water mains. The Contractor responsible for repairing the leaking water mains backfills the excavated areas, performing temporary restoration work. Complete restoration is performed under a repair contract similar to the subject Contract. Under this contract the repair of pavements, sidewalks, etc. will be accomplished at various locations throughout the City of Detroit.

BACKGROUND

DWSD Contract No. DWS-902 is part of an ongoing maintenance work program. The work consists of trimming, removing and replacing concrete sidewalks, driveways and curbs. This contract replaces the previous contract DWS-895 with Giorgi Concrete LLC/Major Cement Company approved by the BOWC May 28, 2014. DWS-895, a three (3) year project, consisted of trimming, removing and replacing concrete sidewalks, driveways and curbs. There were no change orders issued on this project. DWS-895 expires June 22, 2017.

CONTRACTOR PROCUREMENT METHOD

This open competitive project was advertised on Friday, February 22, 2017, on the Michigan Inter-Governmental Trade Network (MITN). 386 Solicitations were sent out via MITN. 11 Firms downloaded the bid package. It was also released to the National Association of Minority Consulting Engineers (NAMCE), Asian Pacific American Chamber of Commerce (APACC), Michigan Hispanic chamber of Commerce (MBCC), Washtenaw Contractors Association Plan Room, Reed Construction, Booker T. Washington Business Association, Michigan Minority Business Development Council, Construction Association of Michigan, Construction Market Data (CMD), Dodge Data & Analytics, Construction Journal, Construction Data, Company, Builders Exchange of Michigan, ISQFT, Bid Ocean, and Bid Clerk.

One (1) Bulletin was issued during the course of the bid. Bulletin No. 1 responded to questions from plan holders.

The Engineer's Estimate for this contract is \$18,000,000.00. Five (5) bids were uploaded on MITN and opened on Friday, March 24, 2017, by DWSD's Contracts and Grants Division.

The bids are as follows:

| BIDDER | BID PRICE | EQUALIZED PRICE |
|-------------------------------------|------------------|------------------------|
| *Lakeshore Global Corporation, Inc. | \$19,931,725.00 | \$19,722,507.75 |

| | | |
|---|-----------------|-----------------|
| Giorgi Concrete LLC/Major Cement Company, Joint Venture | \$23,681,475.00 | \$23,444,660.25 |
| Homrich Wrecking Inc. | \$28,338,861.50 | \$28,055,472.89 |
| Fiore Enterprises, LLC | \$28,466,725.00 | N/A |
| Florence Cement Company | \$32,953,730.00 | N/A |

Equalization was applied as follows:

| BIDDER | EQUALIZATION CATEGORY | PERCENTAGE |
|---|------------------------|------------|
| *Lakeshore Global Corporation, Inc. | Detroit Based Business | 1% |
| Giorgi Concrete LLC/Major Cement Company, Joint Venture | Detroit Based Business | 1% |
| Homrich Wrecking Inc. | Detroit Based Business | 1% |
| Fiore Enterprises, LLC | NA | N/A |
| Florence Cement Company | N/A | N/A |

*LGC Global Corporation withdrew its bid Monday, March 27, 2017, due to mathematical error made in concrete prices leading to low unit price in significant line items on bid schedule.

The lowest responsive equalized bidder, Giorgi Concrete LLC/Major Cement Company, Joint Venture has submitted all required responsive documents. Therefore, it is recommended that Giorgi Concrete LLC/Major Construction Company, Joint Venture be awarded DWS Contract No. DWS-902. Giorgi Concrete LLC/Major Construction Company, Joint Venture, a Detroit Based Business, will currently perform 100 percent of the work under this contract.

If Giorgi Concrete LLC/Major Cement Company, Joint Venture is found non-responsible, it is recommended that the third next lowest responsive equalized, responsible bidder be awarded the contract.

PROJECT OBJECTIVE/COSTS

The object of the proposed contract consists of but is not limited to the removal of approximately 202,500 square yards of pavement cuts or patches; the placement of approximately 42,000 square yards of concrete pavement, and approximately 150,000 square yards of high early strength no slump concrete base; and the removal and replacement of approximately 360,000 square feet of sidewalk, approximately 120,000 square feet of driveway, approximately 50,000 linear feet of curb, and approximately 1,000 linear feet of curb at various locations in the City of Detroit. The work will be done at the established unit prices.

The contract costs are as follows

| | |
|---|------------------------|
| Contract Price | \$22,481,475.00 |
| Provisional Allowance for Unforeseen Conditions | \$1,200,000.00 |
| Total Contract Price | \$23,681,475.00 |

PROJECT SCHEDULE/PROJECT STATUS:

A. Start Work Date: To be established contingent upon

City Council approval.

- B. Final Completion Date: 1,095 calendar days after the Start Work Date.
- C. Estimated Start Work Date: June 1, 2017
- D. Estimated Completion Date: June 1, 2020
- E. Bid Price: \$23,681,475.00
- F. Projected Fiscal Year (FY) Contract Expenditures: FY1: \$8,000,000.00
FY2: \$8,000,000.00
FY3: \$7,681,475.00

Contract No. DWS-902 was presented to the Finance Committee April 10, 2017, and is an Operations and Maintenance (O&M) funded project.