Department of Public Works

City Hall 730 Washington Avenue Racine, Wisconsin 53403 262.636.9121 – Public Works 262.636.9191 - Engineering



Mark H. Yehlen, PE Commissioner of Public Works

Thomas M. Eeg, P.E. Asst. Comm. of Public Works/Operations

John C. Rooney, P.E. Asst. Comm. of Public Works/City Engineer

Legistar Item: 0297-16

April 7, 2016

Alderman Jim Morgenroth, Chairman Public Works and Services Committee Racine, WI

Dear Alderman Morgenroth:

The Commissioner of Public Works, on Thursday, April 7, 2016, 2:00 P.M. (local time), received bids for Contract 20160015, 2016 Concrete Street Reconstruction – Kinzie Avenue (R1), and submits same for your approval. The following bids were received:

<u>Base Bid</u>
\$1,479,333.75
\$1,510,839.96
\$1,574,400.50
\$1,670,877.06

This public works project was estimated at \$1,900,000.00.

It is recommended that the contract be awarded to LaLonde Contractors, Inc. at their base bid of \$1,510,839.96.

Funding for this work is available in the below Org-Objects:

- \$ 663,770.07 Org-Object 45040-57500, DPW-Paving
- \$ 3,660.00 Org-Object 45040-57515, DPW-Sidewalks
- \$ 412,612.48 Org-Object 40102-57500, Water/Wastewater Project-Watermain
- \$ 52,309.06 Org-Object 22640-57560, Sanitary Sewer
- \$ 245,977.18 Org-Object 40102-57560, Water/Wastewater Project-Sanitary Sewer
- \$ 132,511.18 Org-Object 60484-57570, Storm Sewers

\$1,510,839.96 - Total

Sincerely yours,

Mark H. Yehlen

Commissioner of Public Works

MHY:njp

cc: Mayor John Dickert

Tom Friedel John Rooney Jason Herzog

Milwaukee General Construction	Extension	\$5.469.12	\$2,540.12	\$37,000.00	\$16,000.00	\$5,737.50	\$101,500.00	\$166,600.00	\$340,600.00	\$1,500.00	\$40,140.00	\$19,380.00	\$4,000.00	\$1,000.00	\$2,550.00	\$1 200 00	\$8.500.00	\$53,437.00	\$4,845.00	\$2,020.00	\$5,600.00	\$1,900.00	\$1,850.00	\$11,626.00	\$750.00	\$13,000.00	\$226,746.00	\$17,800.00	\$16,000.00	\$39,625.00	\$12,600.00	\$1,605.00	\$1,250.00	\$23,400.00	\$176,700.00	\$7,200.00	\$4,600.00	\$37,000.00	\$1,150.00	\$20,900.00	\$11,000.00	\$3,200.00	\$4,250.00	47,855.00	597,000.00	\$4,740.00	\$202.00	\$14,250.00	\$14,250.00	\$1,670,877.06
Milwaukee Ge	Unit Price	\$25.32	\$10.12	\$3.70	\$4.00	\$8.50	\$14.50	\$11.90	\$34.06	\$1,500.00	\$13.38	\$19.38	\$4.00	8.7	44.51	\$2.00	\$85.00	\$53,437.00	\$32.30	\$40.40	\$5.60	\$1.90	\$1,850.00	\$11,626.00	\$0.75	\$6.50 6106.00	\$185.00	\$2,225.00	\$2,000.00	\$7,925.00	\$900,00	\$535.00	\$1,250,00	5450.00	\$186.00	\$360.00	\$4,600.00	\$185.00	\$1,150.00	\$1,100.00	\$1,100.00	\$400.00	\$425.00	\$605.00	\$97.00	\$510.00	\$101.00		\$15.00	
Son, Inc.	\$1 574 400 50	\$5,400.00	\$3,765.00	\$37,000.00	\$16,000.00	\$5,737.50	\$101,500,00	\$165,200.00	\$274,000.00	\$500.00	\$42,000.00	\$14,000.00	\$4,000.00	\$1,250.00	\$2 4,230,00	\$600.00	\$3,000.00	\$46,000,00	\$4,500.00	\$2,000,00	\$4,000.00	\$3,000.00	\$1,000.00	\$4,200.00	\$1,000.00	\$13,000.00	\$64.750.00	\$17,800.00	\$16,000.00	\$39,500.00	\$12,600.00	\$1,605.00	\$1,250.00	\$23,400.00	\$175,750.00	\$7,200.00	\$4,600.00	\$37,000.00	\$1,150.00	\$20,900.00	\$11,000.00	\$3,200.00	\$4,250.00	47,885.00	\$97,000.00	\$500.00	\$200.00	\$9,500.00	\$9,500.00	\$1,574,400.50
s S	Onit Price	\$25.00	\$15.00	\$3.70	\$4.00	\$8.50	\$14.50	\$11.80	\$27.40	\$500.00	\$14.00	\$14.00	\$4.00	\$5.00	230.05	\$1.00	\$30.00	\$46,000.00	\$30.00	\$40.00	\$4.00	\$3.00	\$1,000.00	\$4,200.00	\$1.00	\$106.00	\$185.00	\$2,225.00	\$2,000.00	\$7,900.00	\$900.00	\$535.00	\$1,250.00	\$450.00 \$485.00	\$185.00	\$360.00	\$4,600.00	\$185.00	\$1,150.00	\$1,100,00	\$1,100.00	\$400.00	\$425.00	5905.00	\$97.00	\$50.00	\$100.00		\$10.00	
tractors, Inc.	41 510 839 96	\$3,888.00	\$3,137.50	\$39,100.00	\$4,800.00	\$2,700.00	\$112,910.00	\$170,800,00	\$313,300.00	\$300.00	\$41,160.00	\$19,490.00	\$3,660.00	\$817.50	58.400.96	\$1,110.00	\$6,157.00	\$4,300.00	\$4,845.00	\$2,020.00	\$5,600.00	\$1,070.00	\$350.00	\$2,400,00	\$750.00	\$13,000.00	\$36,750.00	\$20,000.00	\$16,000.00	\$37,500.00	\$13,300.00	\$2,250.00	\$1,750.00	\$25,000.00	\$180,500,00	\$8,000.00	\$3,500.00	\$37,000.00	\$1,500.00	\$20,900.00	\$11,000.00	\$4,000.00	\$3,750.00	00.6/1/9¢	\$60,000.00	\$657.00	\$202.00	\$28,500.00	\$28,500.00	\$1,510,839.96
LaLonde Contractors, Inc.	OUIT Price	\$18.00	\$12.50	\$3.91	\$1.20	\$4.00	\$16.13	\$12.20	531.33	\$300.00	\$13.72	519.49	\$3.00 \$3.00	73.27	\$29.17	\$1.85	\$61.57	\$4,300.00	\$32.30	\$40.40	\$5.60	\$1.07	\$350.00	\$2,400.00	\$0.75	\$405.00	\$105.00	\$2,500.00	\$2,000.00	\$7,500.00	\$950.00	\$750.00	\$1,750.00	\$500.00	\$230.00	\$400.00	\$3,500.00	\$185.00	\$1,500.00	\$1,100.00	\$1,100.00	5500.00	\$375.00	2473.00	\$60.00	\$65.70	\$101.00		\$30.00	
avers, LLC	\$1.479.434.75	\$2,484.00	\$2,886.50	\$15,000.00	\$5,080.00	\$2,558.25	\$89,600.00	\$147,560.00	\$312,700.00	\$200.00	\$45,600.00	\$15,200.00	\$4,420.00	00.055 515	\$8.352.00	\$1,350,00	\$5,700.00	\$28,000.00	\$4,845.00	\$2,020.00	\$5,600.00	\$2,000.00	\$200.00	\$2,000.00	\$750.00	\$205,000.00	\$38.500.00	\$16,000,00	\$14,000.00	\$34,500.00	\$8,960.00	\$2,370.00	\$1,500.00	\$25,428.00	\$10.150.00	\$8,220.00	\$4,925.00	\$27,600.00	\$1,420.00	\$18,050.00	\$9,500.00	55,160.00	\$4,000.00	46,090.00	\$28,000.00 \$925.00	\$450.00	\$90.00	\$28,500.00	\$28,500.00	\$1,479,333.75
Cornerstone Pavers, LLC		\$11.50	\$11.50	\$1.50	\$1.27	\$3.79	\$12.80	\$10.54	\$31.27	\$200.00	\$15.20	5.5.20	74.47	23.72 CA AE	\$29.00	\$2.25	\$57.00	\$28,000.00	\$32.30	\$40.40	\$2.60	\$2.00	\$200.00	\$2,000.00	\$0.75 \$6.59	39.30 \$95.00	\$110.00	\$2,000.00	\$1,750.00	\$6,900.00	\$640.00	\$790.00	\$1,500.00	2489.00	\$290.00	\$411.00	\$4,925.00	\$138.00	\$1,420.00	\$950.00	\$950.00	5645.00	\$400.00	00.050	438.00 458.00	\$45.00	\$45.00		\$30.00	
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Department of Public Works

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City of Racine, Wisconsin

Mark H. Yehlen, P.E. Commissioner of Public Works/City Engineer

Thomas M. Eeg, P.E. Asst. Comm. Of Public Works/Operations

John C. Rooney, P.E. Asst. Comm. Of Public Works/City Engineer

April 7, 2016

TO:

Mark Yehlen, P. E.

Commissioner of Public Works

FROM:

John Rooney, P. E., Assistant Commissioner of Public Works/City Engineer

RE:

Bid award/funding breakdown

Contract for 2016. Concrete Street Reconstruction (R1) – KINZIE AVE

Contract #20150015

You received bids on the above contract with LaLonde Contractor, submitting the lowest responsive bid in the amount of \$\$1,510,839.96.

We recommend you enter into a contract with Lalonde Contractor, at their bid price.

Funding should be appropriated from the following accounts:

		TOTAL:	\$1,510,839.96
60484	57570	STORM SEWERS	\$132,511.18
40102	57560	WATER / WASTEWATER PROJECT - SANITARY SEWER	\$245,977.18
22640	57560	SANITARY SEWER	\$52,309.06
40102	57500	WATER / WASTEWATER PROJECT - WATERMAIN	\$412,612.48
45040	57515	DPW - SIDEWALKS	\$3,660.00
45040	57500	DPW - PAVING	\$663,770.07
ORG	OBJECT	DESCRIPTION	AMOUNT

0297-16

Rooney, John

From: Letteney, Scott

Sent: Friday, April 08, 2016 4:37 PM

To: Rooney, John

Cc: Eeg, Thomas; Herzog, Jason; Yehlen, Mark

Subject: RE: award of Contract 20160003

John,

I concur with your reasoning and conclusions. Recommend the award be made to LaLonde Contractors, Inc., as the low responsive, responsible bidder.

Scott

From: Rooney, John

Sent: Friday, April 08, 2016 4:03 PM

To: Letteney, Scott

Cc: Eeg, Thomas; Herzog, Jason; Yehlen, Mark

Subject: award of Contract 20160003

Scott:

I am going to propose to the PW&SC on Tuesday April 12, 2016 that the Kinzie Avenue reconstruction project be awarded to the second lowest bidder, LaLonde Contractors Inc., instead of Cornerstone Pavers. I am proposing this for several reasons:

- 1. The two contracts from 2015 have not been settled. There exists outstanding LD's (liquidated damages) that have been negotiated, but not agreed on. Both contracts had liquidated damages assessed by the project engineers. The engineers, and myself, have spent numerous hours in person and via email trying negotiate a settlement. On one contract (20150010) we started with 61 days and negotiated that down to 45. The contractor feels as though his subcontractor is responsible for a portion of these days. That is fine, but that is between the contractor and his sub to determine who should pay the LD's. The contractor won't sign the CCO (contract change order) unless his sub concurs. This is a matter between prime and sub, and is of no concern to the City. I thought we did our due diligence in reducing the LD's.
- 2. The other contract, 20150003, started with 112 days counted by the project engineer. We considered reduction of several project LD's and reduced some and eliminated others. The contractor feels the overall contract date should be extended because of his inability to access the work site due to We Energies working. While we don't agree with his request or reasoning, we considered the request based on information we have from We Energies in an effort to minimize LD's. In doing so, we offered a reduction in LD's to 83 days.
- 3. The contractor would not even discuss his position on Taylor Avenue because he noted the attorneys are handling that matter. I was unaware that a contractor can only discuss parts of a contract, and other parts cannot be discussed or negotiated by the contractor and engineer. If the contractor could, I firmly believe they feel a minimal number of days should be assigned to a contract that finished 71 days past the original contract completion date.
- 4. The contractor caused an extension of our construction season, requiring inspection and engineering resources to be expended much longer than was ever anticipated by the Engineering Department. This means other work that otherwise could have been done was put off until these contracts were completed. This work included engineers, surveyors, and inspectors.

- 5. The contractor caused a hardship to the motoring public that had to use detours, property owners that were unable to access their driveways, DPW that had to extend their effort of solid waste/recycle collection by hand pick-up, and delayed leaf pick-up by DPW.
- 6. The contractor makes claims he had verbal agreement to start the project a later date from the Commissioner of Public Works (CPW), but has no written documentation to back this claim. There exists no revised Notice To Proceed from the CPW to allow a later start date in the contract file.

Our contract documents clearly give us the option to choose the bidder that best serves the interest of the City:

XVI. RIGHT TO ACCEPT OR REJECT BIDS

The City reserves the unqualified right, in its sole and absolute discretion, to reject all bids or any bid, to waive any irregularities in any bid, or to accept any bid which will best serve the interests of the City. The City also reserves the unrestricted privilege to reject any unit prices for additions to or deductions from the scheduled amount of work as given in the bid, if the same are considered excessive or unreasonable, or to accept any or all such unit prices which may be considered fair and reasonable.

The bid openings are always public, but no awards will be made immediately upon opening bids nor until the bids opened can be compared, scheduled and reviewed by the Common Council. The contract shall be awarded by Common Council action and the bidder to whom the award is made will be notified at the earliest possible date.

I feel the existing contracts we have may lead to a protracted litigation with this contractor. This contractor feels little culpability regarding the issuance of LD's. The best course of action may be to reduce the LD's further just to close out the contract. I say this with hesitation but want to minimize costs. We have already attempted to negotiate away 45 days for a reduction in LD's of \$13,500. I believe they would argue away another 40 days or more at a minimum.

To that end, I would like to recommend the second bidder, as the lowest bidder is neither responsive or responsible when conducting business with the City. The result in this is an increase in the amount of \$31,506.21 (see attached). With LD's for contract completion rising to \$1,235/day in 2016, I can only imagine how difficult it may be to negotiate any delays on this major, joint project for the City & RWWU with Cornerstone Pavers this year.

Please reply at your earliest convenience.



John C. Rooney, P.E.
City Engineer, Assistant Commissioner of Public Works
City of Racine
730 Washington Avenue
Racine, WI 53403
P 262.636.9460
F 262.636.9545
C 262.620.4615

Comparison to the 2 lowest bidders for contract 20160015 Kinzie Ave reconstruction.

201600	15 CONCR	ETE RECONSTRUCTION KINZIE AVE			DIFF FROM
ORG	OBJECT	DESCRIPTION	CORNERSTONE	LALONDE	CONERSTONE
45040	57500	DPW - PAVING	\$625,485.89	\$663,770.07	\$38,284.18
45040	57515	DPW - SIDEWALKS	\$4,420.00	\$3,660.00	-\$760.00
40102	57500	WATER / WASTEWATER PROJECT - WATERMAIN	\$375,839.26	\$412,612.48	\$36,773.22
22640	57560	SANITARY SEWER	\$43,753.66	\$52,309.06	\$8,555.40
40102	57560	WATER / WASTEWATER PROJECT - SANITARY SEWER	\$303,373.97	\$245,977.18	-\$57,396.79
60484	57570	STORM SEWERS	\$126,460.97	\$132,511.18	\$6,050.21
		TOTAL:	\$1,479,333.75	\$1,510,839.96	\$31,506.21