



CITY COUNCIL AGENDA ITEM

Date: April 7, 2016

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager
Timothy L. Richnak, Public Works Director
Kurt Bovensiepe, Public Works Manager

Subject: Standard Purchasing Resolution 3 - Exercise Renewal Option – Concrete Slab Replacement Program

History

One-year requirements for Concrete Slab Replacement Program with an option to renew for one (1) additional year was competitively bid and opened on March 27, 2014, in accordance with City Charter and Code. The scope of work includes all labor, tools, equipment, and transportation for concrete slab replacement services on local and major roads.

DiLisio Contracting, Inc. proves to be a contractor that is interested in developing a relationship with its clients. This is evident by comparing the performance and the consideration in providing the least disruption to our constituents and to the other contractors in the City of Troy during the 2014 and 2015 Troy Roads Rock (TRR) Programs. DiLisio Contracting, Inc. provides a program that has not only the city's best interest in mind but also benefits drivers that encounter the construction project. Other neighboring cities have contacted the City of Troy to determine how our TRR 1 and 2 programs have been so successful in providing the least amount of disruption to drivers. Our response has always been that our success is determined by the cooperation between city departments, our ability to notify drivers, our ability to adjust projects in the best interest of the public, and the City's partnership with DiLisio.

Purchasing

Troy City Council approved the one-year contract with an option to renew for one (1) additional year to the low total bidder, DiLisio Contracting, Inc. of Clinton Township, MI (**Resolution #2014-04-063-J-4a**) and additionally approved the one (1) year extension with an increase that directly reflected the increase in all infrastructure trades in the Metro Detroit Area (**Resolution #2015-03-039**).

There continues to be a rise in material costs and infrastructure trades costs in the Metro Detroit Area. DiLisio Contracting is proposing to continue the partnership with the City of Troy with no increase in pricing for the next year. However, the company is requesting a slight increase of 3% for the second year, which is related to its transit mix materials as detailed in the attached letter.

Financial

Funds will be proposed in the future Streets Division Capital Fund for Major and Local Roads.



CITY COUNCIL AGENDA ITEM

Recommendation

City management recommends exercising an option to renew for two (2) additional years with DiLisio Contracting, Inc. of Clinton Township, MI for the Concrete Slab Replacement Program at its current unit prices for the first year and a 3% increase for the second year, which would expire June 30, 2018.



CITY COUNCIL AGENDA ITEM



23525 Lakepointe Dr.
Clinton Township
Michigan, 48036

Phone: 586.783.4044

Fax: 586.783.4058

E-Mail: dc1994@sbcglobal.net

April 6, 2016

Kurt Bovensiep
City of Troy
Department of Public Works
4693 Rochester Road
Troy, MI 48085

Re: City of Troy Concrete Slab Replacement Program 2016-2017(ITB-COT 14-10)

Dear Mr. Bovensiep,

DiLisio Contracting Inc. is pleased to accept the contact extension provision for the above mentioned project and retain the unit prices from the 2015-2016 contract. In efforts to continue the partnership in achieving the city's infrastructure improvement needs, DiLisio Contracting Inc. is also willing to accept the 2017-2018 contract with an increase of 3% of current unit prices. Said increase reflects negotiated prices with the concrete supplier, Protocon Transit Mix, Inc. DiLisio Contracting is not requesting an increase based on overhead, profits, wages and benefits to its employees.

If you have any questions to not hesitate to call me at 586-405-4578

Respectfully yours,

A handwritten signature in blue ink that reads "Giuseppe D. Lia".

Giuseppe D. Lia
Treasurer

