

The Narragansett Bay Commission
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Vincent J. Mesoella
Chairman

Raymond J. Marshall, P.E.
Executive Director



OFFICIAL MINUTES OF:

Meeting of:	CEO Committee Meeting
Date:	January 14, 2014
Time:	10:30 a.m.

MEMBERS PRESENT:

John MacQueen, Chairman
Robert Andrade
Jonathan Farnum
Vincent Mesoella
Al Montanari
Leo Thompson
Richard Worrell

MEMBERS ABSENT:

Angelo Rotella

STAFF AND GUESTS PRESENT

Raymond J. Marshall, Executive Director
Bruce Campbell, NBC Commissioner
Deborah Samson, NBC
Rich Bernier, NBC
Karen Musumeci, NBC
Paul Nordstrom, NBC
Tom Uva, NBC
Jamie Samons, NBC

Jennifer Harrington, NBC
Joe Pratt, Louis Berger Group
Mark Thomas, NBC
Karen Giebink, NBC

1. Call to Order

Recognizing a quorum, CEO Chairman MacQueen called the January 14, 2014 Construction/Engineering/Operations (CEO) Committee Meeting to order at 10:33 a.m.

2. Approval of Minutes – December 10, 2013 CEO Committee

CEO Chairman MacQueen asked for a motion to approve the December 10, 2013 CEO Committee Meeting minutes as written.

Commissioner Montanari moved to approve the minutes of the December 10, 2013 CEO Committee. Commissioner Farnum seconded the motion. The vote taken by the CEO Committee was unanimous. The motion carries.

3. Items for Action

A. Review and Approval of Resolution 2014:01; Award of Contract 119.00C Regulatory Compliance Building-Evaluation of Bids

Mr. Marshall advised that eleven bids for construction Contract 119.00C Regulatory Compliance Building were received by the Commission’s Procurement Section on December 19, 2013. The contractors and their bids are:

Gilbane Building Co. (Gilbane)	\$17,075,000	
Calson Construction Corp	\$17,995,000	
H. V. Collins Company	\$18,207,913	
Ahlborg Construction Co	\$18,505,000	
Iron Construction Group	\$18,989,000	
Dimeo Construction Co.	\$18,995,277	
Daniel O’Connell’s Sons	\$19,330,000	
Bacon Construction Co.	\$17,700,700	Non responsive
E. W. Burman, Inc.	\$18,386,020	Non responsive
JJ Cardosi, Inc.	\$18,762,490	Non responsive
Maron Construction Co.	\$18,989,000	Non responsive

There were four bids that were considered non responsive. In each instance this was the result of the Contractor failing to provide a copy of their bids for public inspection upon the opening of the bids as required by state law RIGL§ 37-2-18. None of the four non responsive bid amounts were read aloud at the bid opening.

At the contractor's request, on December 31, 2013 we met with representatives of Gilbane regarding their bid. At that meeting they indicated they had made a \$1,100,000 math error and requested that they be allowed to withdraw their bid. They showed our staff the error in their bid calculations. It was related to laboratory casework which is the specialty cabinet components that are part of a laboratory facility. Gilbane subsequently confirmed their request in a correspondence to the Commission dated January 2, 2014.

We have had several discussions among Commission staff. We have considered all relevant procurement laws and regulations to determine which options were/are available to the Commission under these circumstances. The options were:

1) Compel Gilbane to accept and perform the job for \$17,075,000. We believe that it would be impossible for Gilbane to complete the work in an acceptable manner for their bid price. Forcing them to honor their bid would likely result in problems throughout construction and potentially result in significant costs and delays.

2) Allow Gilbane to adjust their bid upward by \$1,100,000. We believe this option has no merit. Historically, we have never allowed a contractor to increase their bid after the bid opening since it inherently results in the appearance of impropriety. Additionally, by adding \$1,100,000 to Gilbane's bid they would no longer be the low bidder.

3) Reject Gilbane's bid and award it to the next lowest responsive and responsible bidder. The second low bidder, Bacon Construction, was non responsive and cannot be awarded the bid. Therefore, the third low bidder, Calson Construction Corporation (Calson), is the lowest responsive and responsible bidder. This is the option recommended by staff. It is the best alternative to completing the project as soon as possible and the existing laboratory is in poor condition with HVAC systems operating inefficiently and unreliably. The systems are critical to the building's viability to conduct accurate testing.

4) Reject all bids and rebid the project. This option would require additional costs to prepare the Contract Documents to go through the bid process and would delay the project by at least two months.

Mr. Marshall stated that the Regulatory Compliance Building will house the EMDA and Laboratory Sections of the NBC. This will unify NBC's effort related to laboratory sampling and analysis. The NBC considered rehabilitating the existing building, but determined that solution to be impractical as the needs of the laboratory personnel, equipment and testing protocols have outgrown the capacity of the existing facility.

Calson's bid of \$17,995,000 was approximately 1% less than the next low bidder and within approximately 7% of all bidders. This suggests that the bids accurately represent current market conditions. Additionally, the close proximity in bids is an indicator that the bidders interpreted the contract requirements in a similar manner.

This Contract will be funded through Capital financing.

Calson will furnish the necessary bonds and insurance for this project.

As with all projects of this size and complexity there will be ancillary costs associated with the project including but not limited to: advertising, printing, police details, specialty engineering consultants (maximum contract ceiling of \$20,000), material/soil testing firm and staff time associated with contract inspection and administration.

We find that Calson Construction Corporation is the lowest responsive and responsible bidder. We recommend that Contract 119.00C be awarded to Calson Construction Corporation subject to the approval of the Contractor's MBE/WBE plan and EEO requirements by the Rhode Island Department of Administration.

Commissioner Montanari made a motion to approve Resolution 2014:01; Award of Contract 119.00C Regulatory Compliance Building-Evaluation of Bids. Commissioner Andrade seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

B. Review and Approval of Resolution 2014:02; Contract 303.05C-OF-027 Increase COR Authorization Limit

Mr. Marshall stated that Contract 303.05C – OF 027 was awarded in June 2011, Resolution 2011:15 and a Notice to Proceed issued on July 14, 2011 to John Rocchio Corporation (JRC) for a cost of \$6,580,587 to undertake sewer separation on the East Side of Providence in the vicinity of Hope Street. The project involves the installation of approximately 15,875 feet of new drain pipe, 101 drain manholes, 126 catch basins, lining of 5,290 feet of 15" sewer modifications to 28 manholes along with water line relocation and street paving upon completion.

Resolution 2012:03 was approved in March, 2012 increasing the COR authorization limit by \$900,000 for soils and utility issues.

Resolution 2012:22 was approved in June, 2012 increasing the COR authorization limit by \$1,400,000 for rock quantities and paving issues.

This contract is now 100% complete and the cost finalized. Once all the outstanding CORs were negotiated and a balancing COR developed it was determined that an additional increase to the authorization limit of \$124,214.35 is necessary.

Mr. Marshall advised that there were 117 CORs initiated for this contract of which 38 were either withdrawn or denied. Of the 79 CORs processed, 5 are related to soils issues (\$827,155.73), 6 are related to paving (\$652,536.60), 1 is the rock quantity issue (\$437,500.00),

25 are related to sewer and drainage issues (\$341,456.66), 4 are related to city issues (\$289,938.23), 35 are related to utility conflicts (\$200,939.05) and 3 misc. (\$3,717.67).

Per the NBC's approved COR procedures, the Chairman and Executive Director are authorized to approve CORs up to an aggregate amount of 5% of the Contract amount or \$329,029. Resolution 2012:03 increased this limit by \$900,000 and Resolution 2112:22 increased it by an additional \$1,400,000 bringing the total authorized limit to \$9,209,616.35. The final negotiated cost of this contract is \$9,333,830.70 which leaves a delta of \$124,214.35.

It is recommended that the Chairman and Executive Director be authorized to approve CORs for Contract 303.05C – OF 027 for an additional aggregate amount not to exceed \$124,214.35 over the 5% authorized limit plus Resolution 2012:03 \$900,000 and Resolution 2012:22 \$1,400,000. Your concurrence is requested with the approval of Resolution 2014:02.

Commissioner Montanari made a motion to approve Resolution 2014:02; Contract 303.05C-OF-027 Increase COR Authorization Limit. Commissioner Worrell seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

4. Other Business

None.

5. Adjournment

A motion to adjourn was made by Commissioner Montanari seconded by Commissioners Farnum, Worrell and Andrade and the CEO Committee meeting adjourned at 10:53 a.m.

Respectfully submitted,



Raymond J. Marshall, P.E.
Executive Director/Secretary