

Bankston Construction Contract, per City Council Research and Analysis Division

2841419 100% City Funding – To Provide Hauling High Calcium Lime Biosolid – RFQ# 36205 – Bankston Construction Inc, 8901 Schaefer Hwy, Detroit, MI 48228 – **Savings: Previous Contract Number: #2730577 - Previous Contract Amount: \$15.83/Ton To \$23.83/Ton - Potential Savings: \$4,200,000.00** - Contract Period: April 15, 2011 through April 14, 2013, with Two (2), One (1) Year Renewal Options – Estimated Quantity (730,000) – Unit Prices Range from: \$10.05/Ton To \$16.08/Ton – Lowest Total Bid – Estimated Cost: \$23,476,800.00/Two Years

Costs budgeted to Sewage Operation and Maintenance Fund, Acct. 5402-425120-000231-617900-00162-731003-SD917.

4 Bids solicited, 3 Bids received on Open Market for the hauling of sludge, stabilized with high calcium lime, and removed to an approved landfill.

The contract requires that the vendor provide all equipment, supplies and operators for the equipment for the removal of an estimated 730,000 tons per year. The bidders were requested to provide a cost for hauling, based on the distance the waste is hauled, from the Wastewater Treatment Plant to the landfill. Ranges include: 0 to 45 miles, 46 to 65 miles, 66 to 85 miles, 85 to 100 miles. Vendor is required to be available 7 days per week for hauling of the wastewater biosolids that exceed the capacity of the Wastewater Treatment Facility's biosolids disposal facility or to incinerate the waste. The daily quantity of biosolids may average 1,200 wet tons; however the average may increase to 2,000 wet tons per day. The contractor and the City to maintain a continuous communication to adjust for increases or decreases in the number of vehicles required for the removal of waste.

This recommendation is with the Lowest Bid received from Bankston Construction for a bid ranging from \$10.05 per ton for hauling 0 to 45 miles, up to \$16.08/ton for hauling 85 to 100 miles. The indicated total estimated cost of \$23,476,800 is based on the rate of \$16.08 per ton. Using the lowest rate of \$10.05/ton to haul up to 45 miles the 2-year cost would be \$14,673,000.

Other bids received (also based on the highest rates for hauling 85 to 100 miles) include: Homrich Wrecking for \$27,959,000 (rates from \$11.97 to \$19.15 per ton); Trinity Environmental for \$30,922,800 (rates from \$14.35 to \$21.18 per ton).

According to the Purchasing File, a protest may be submitted by Homrich claiming Bankston cannot perform the required services.

Covenant of Equal Opportunity Affidavit signed 1-12-11; Detroit Based Business certification good through 1-10-12; TAXES: Good Through 3-23-12 and 9-30-11; Board of Water Commissioners approved 2-23-11; Slavery Era Records Disclosure Affidavit signed 1-12-11, indicating business established 1981, no records to disclose.

The previous contractor for this service was Homrich Wrecking (PO 2730577) initially approved in March 2007 for term of 2 years, for rates ranging from \$15.83/ton to \$23.82 per ton, for removal of an average of 500 tons per day. This contract was last renewed for 1 year through March 2011, in March 2010, for an estimated cost of \$3,574,500. The savings indicated by Purchasing is based on the difference between the lowest rate of the previous contract \$15.83 compared to the lowest rate in this recommended contract for \$10.05 per ton.

