Nest Allis EST. 1906

Melinda Dejewski

City Engineer Engineering Department mdejewski@westalliswi.gov 414.302.8374

April 17, 2024

Honorable Board of Public Works City of West Allis

Re: Award of Contract 2024-14 Private Property Work: Water Service Replacements & Sanitary Lateral Rehabilitations to MJ Construction. Inc.

Every year, the City of West Allis has a contract to replace private property sanitary sewer and water laterals. To be able to bid on this contract, each contractor has to complete a prequalification form. MJ Construction, Inc. completed and submitted their prequalification form on January 22, 2024. The City approved their prequalification form on the same day. MJ Construction, Inc. has successfully performed underground work previously for the City. There was no reason to find them not qualified to perform the work under this contract.

The bids were opened on Wednesday, April 10, 2024 at 10:30am. There were 2 bidders – MJ Construction, Inc., and Mid-City Plumbing Corp. MJ Construction was the low bidder by approximately \$13,000 (about 2% less than Mid-City Plumbing Corp). Within 10 minutes of the bid opening, Mid-City Plumbing sent an email stating that MJ Construction had lied on their prequalification form and attached a letter from the City of Milwaukee Waterworks Department stating that MJ Construction had failed to complete work and was approximately \$5,000,000 behind in their obligations to complete work for the City of Milwaukee Waterworks. Mid-City Plumbing stated that West Allis should find MJ Construction a non-qualified bidder and award the contract to Mid-City Plumbing.

Upon receiving this email, the Engineering Department began to research the reasons behind the letter issued by the City of Milwaukee Waterworks. City Engineering staff had discussions with the City of Milwaukee and the Village of Menomonee Falls who was referenced by MJ Construction as having received the same letter in the same manner from Mid-City Plumbing.

The discussions with the Village of Menomonee Falls were that MJ Construction had completed their prequalification form before the letter and that their work for the City of Milwaukee Waterworks had gotten delayed due to the State of Wisconsin Department of Transportation requiring MJ Construction to perform work beyond what was in the contract. In addition, there was issues getting supplies from the City of Milwaukee Waterworks Department and the City of Milwaukee Waterworks had suspended work over the winter thereby limiting MJ Construction's ability to complete the work.

The discussions with the City of Milwaukee Waterworks confirmed the information that the Village of Menomonee Falls had provided. The City of Milwaukee added that it is their intention to allow MJ Construction to bid on projects in the future once the outstanding work is completed.

Staff also forwarded this information to City Attorney Kail Decker. He advised reviewing the information and provide it to the Public Works Committee for consideration with the resolution for awarding or not awarding the contract.



After reviewing all the information and based upon the successful previous work history with the City of West Allis, the Engineering Department recommends that the Public Works Committee adopt the resolution to award Contract 2024-14 Private Property Work: Water Service Replacements & Sanitary Lateral Rehabilitations to MJ Construction, Inc in the amount of \$680,579.00.

If you have any questions or concerns, please contact me.

Sincerely,

Melinda K. Dejewski, PE

City Engineer

Attachements:

Bid Tabulation

Letter from City of Milwaukee

Melinda K. Dejruški

Email from Mid-City Plumbing Corporation

List of West Allis Projects Successfully Completed by MJ Contractors, Inc.

2024-14 Private Property Work (#9046080)

Owner: West Allis WI, City of Solicitor: West Allis WI, City of 04/10/2024 10:30 AM CDT

						Engineer Estin	nate	MJ Constructi	on, Inc.	Mid City Corpora	tion
Section Title	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Base Bid Section - Required Completion		pletion					\$643,219.00		\$680,579.00		\$693,849.50
	1	1	1" Dia. Private Copper Water Service (53)	lin. ft.	1,505.00	\$108.00	\$162,540.00	\$120.00	\$180,600.00	\$7.70	\$11,588.50
	2	2	Reconnection to Interior Water Distribution Piping	units	53.00	\$1,530.00	\$81,090.00	\$2,000.00	\$106,000.00	\$3,500.00	\$185,500.00
	3	3	Additional Interior Water Plumbing	lin. ft.	212.00	\$23.00	\$4,876.00	\$8.00	\$1,696.00	\$3.00	\$636.00
	4	4	6" Dia. Sanitary Lateral Pipe Bursting (54)	lin. ft.	1,890.00	\$174.00	\$328,860.00	\$177.00	\$334,530.00	\$6.00	\$11,340.00
	5	5	Reconnection to Interior Sanitary Piping	units	54.00	\$561.00	\$30,294.00	\$800.00	\$43,200.00	\$8,695.00	\$469,530.00
	6	6	Warranty Video Inspection of Sanitary Sewer Lateral	lin. ft.	351.00	\$9.00	\$3,159.00	\$3.00	\$1,053.00	\$5.00	\$1,755.00
	7	7	5" Concrete Sidewalk and Driveway	sq. ft.	2,700.00	\$12.00	\$32,400.00	\$5.00	\$13,500.00	\$5.00	\$13,500.00
Base Bid Total:	_						\$643,219.00		\$680,579.00		\$693,849.50

From: Robert Hutter

To: <u>Alexander Weislak; Melinda Dejewski</u>

Subject: Fw: MJ Construction

Date: Wednesday, April 10, 2024 10:44:32 AM

Attachments: ON6 2024 MJ Notification Nonresponsible282024.pdf

Importance: High

Robert Hutter

Assistant City Engineer | Engineering Department City of West Allis
7525 W. Greenfield Ave. | West Allis, WI 53214

Cell: 414-587-1699 | Dept: 414-302-8360

thatswhywestallis.com

From: Tom Zoulek <tzoulek@midcitycorp.us> Sent: Wednesday, April 10, 2024 10:43 AM

To: aweislak@westallis.gov <aweislak@westallis.gov>; Robert Hutter <rhutter@westalliswi.gov>

Subject: MJ Construction

Alex / Rob,

Please see the attached letter Mid City received from Milwaukee Water Works regarding MJ Construction via open records request. We believe they are falsifying prequalification statements and providing affidavits stating they have completed all projects on time. MWW had enough of the games and has deemed them Non-Responsible.

Respectfully,

Tom

Thomas A. Zoulek, PE

President



Mid City Corporation

12930 W. Custer Avenue Butler, WI 53007 Cell: 414.349.0623



Cavalier Johnson

Mayor

Jerrel Kruschke

Commissioner, Dept. of Public Works

Patrick W. Pauly

Superintendent, Milwaukee Water Works

Milwaukee Water Works

February 8, 2024

Via e-mail attachment to michelle@mjconstruction.us

Michelle Magin, President MJ Construction, Inc. 6000 N. 91st Street Milwaukee, WI 53225

SUBJECT: Rejection of Bid - Notice of Non-Responsible Bidder

Specific Official Notice No. 6-1-2024

Dear Ms. Magin:

This letter serves as your notice that the City of Milwaukee is rejecting the bid received by MJ Construction, Inc. for the work identified in Specific Official Notice No. 6-1-2024. MJ Construction will not be awarded a contract for this Official Notice, which was advertised on January 19, 2024. Sealed bids were opened January 29, 2024.

In accordance with the City of Milwaukee Department of Public Works General Specifications Section 1.1.14 Acceptance or Rejection of Bids, MJ Construction, Inc. has performed unreliably and willfully or negligently failed to complete previously contracted work and has been deemed a non-responsible bidder for the work specified in Specific Official Notice No. 6-1-2024.

MJ Construction has five (5) open contracts with the City for water construction work with remaining construction and a contract value of \$4,720,700.09.

Official	Contract
Notice	Value/Work
Number	Remaining
123-1-2022	\$413,467.88
060-1-2023	\$905,750.42
058-1-2023	\$699,118.37
061-1-2023	\$954,568.42
086-1-2023	\$1,747,795.00
	Notice Number 123-1-2022 060-1-2023 058-1-2023 061-1-2023

MJ Construction has been notified that work has continued past the completion dates for four of these contracts. Liquidated damages will be assessed for contracts C641220101, C641230048, C641230052, and C641230058. The summary of remaining work is as follows:

<u>C641220101</u> <u>123-1-2022</u> Scheduled Completion Date 12/15/2023

Project No.	Street	Remaining Work
WT410210677	N TEUTONIA AV	Permanent Pavement
WT410210649	N TEUTONIA AV	Permanent Pavement
WT410220650	N 51ST BL	Permanent Pavement

<u>C641230048</u> <u>060-1-2023</u> Scheduled Completion Date 12/15/2023

Project No.	Street	Remaining Work
WT410220703	W HENRY AV	Project Not Started
WT410220702	S 23RD ST	Project Not Started
WT410220701	S 22ND ST	Project Not Started
WT410220602	W KLEIN AV	Permanent Pavement
WT410220606	S 14TH ST	Permanent Pavement
WT410220603	W WANDA AV	Permanent Pavement
WT410220605	S 15TH PL	Permanent Pavement
WT410220604	W DENIS AV	Permanent Pavement
WT410220658	W WILBUR AV	Permanent Pavement
WT410220660	S 23RD ST	Permanent Pavement
WT410220659	S 25TH ST	Permanent Pavement
WT410220657	W TRIPOLI AV	Permanent Pavement
WT410220656	S 20TH PL	Permanent Pavement
WT410220700	W RAMSEY AV	Permanent Pavement

<u>C641230052</u> <u>058-1-2023</u> Scheduled Completion Date 11/23/2023

Project No.	Street	Remaining Work
WT410220667	E PARK PL	Permanent Pavement
WT410220691	N 89TH ST	15 service connections, 1 wet connection and
		pavement restoration
WT410220690	W BURLEIGH ST	23 service connections, 4 lead service
		replacements, 6 wet connections and
		pavement restoration
WT410220692	N 86TH ST	14 service connections, 4 lead service
		replacements, 1 wet connection and
		pavement restoration

<u>C641230058</u> <u>061-1-2023</u> Scheduled Completion Date 11/22/2023

Project No.	Street	Remaining Work
WT410180615	W ST PAUL AV	
WT410180614	W ST PAUL AV	15 Branch Connections, 4 Wet Connections,
WT410180613	W ST PAUL AV	Permanent Pavement
WT410180616	W GREVES ST	

MJ Construction has not begun work on contract C641230071, as specified in the contract documents. Work was to begin immediately after contract execution on October 3, 2023. MWW issued a Notice of Suspension of work on January 4, 2024 for this contract to ensure MJ devoted available resources to ongoing construction work on the four contracts above. It is expected that MJ Construction will begin work on this contract in February when authorized by MWW.

<u>C641230071</u> <u>086-1-2023</u> Scheduled Completion Date 4/22/2024

Project No.	Street	Remaining Work
WK64409104	W National Av	Project Not Started
WK64409154		222 Lead Service Line Replacements, 303
		Service Disconnections

MJ Construction failed to start or complete the above contracts in accordance with contract specifications. Therefore, the bid received for Official Notice 6-1-2024 has been deemed non-responsible and MJ Construction will not be awarded a contract. Should MJ Construction submit a bid with the City of Milwaukee in the future, the City will reassess the open work, if any, on the five referenced contracts, as well as the scope of the work in the official notice, and make a determination as to whether MJ Construction has the capacity to diligently and successfully perform the requirements of any particular official notice.

If you have questions about this information, please feel free to call Karl Rohrbach, P.E., Engineer in Charge, at (414) 286-8167, or email karl.rohrbach@milwaukee.gov.

Sincerely,

Patrick W. Pauly, P.E. Superintendent

Milwaukee Water Works

DocuSigned by:

----3D3AC90F5C8A4D3..

Jerrel Kruschke, P.E. Commissioner

Department of Public Works

PP:KR:ehr

cc: DPW Contract Administration, MWW Engineering

MJ Construction's work for the City of West Allis in the last five years:

2019-4

S. 75th and S. 80th Street - Underground Subcontractor. Completed without major problems.

2019-12

2019 Private Property Work (very similar to the 2024 project). Completed without major problems.

2020-5

W. Lakefield Ave and W. Euclid Ave - Underground Subcontractor. Completed without major problems.

2021-8

2021 Private Property Work (very similar to the 2024 project). Completed without major problems.

2021-16

Water Main Relays. Completed without major problems on a tight schedule.

2022-9

2022 Private Property Work (very similar to the 2024 project). Completed without major problems. One non-responsive resident with a driveway issue delayed closing the job.

2022-16

Sanitary Relay Project. Completed without major problems. The City added emergency sanitary repair work to this job, which MJ Construction performed without a problem.