

MEMORANDUM

To: Jonathan Lee, Assistant Director

From: Ryan Shonk, P.E. / Dave Opferman, P.E.

Date: May 31, 2019

RE: Recommendation for HCWP Concrete Rehabilitation, RFQ012141, CIP 690389-100000, WSRLA Loan No. FS390274-0314

RFQ012141 was opened on May 29, 2019 and two bids were received. After review of the proposal information, the Division of Water recommends award to the lowest, responsible and responsive bidder, Kenmore Construction Company, Inc., in the total amount of \$13,599,420.00.

The bids were as follows:

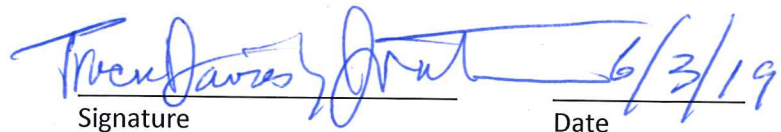
Kenmore Construction Company, Inc. = \$13,599,420

Kokosing Industrial, Inc. = \$15,966,000

Engineer's Estimate = \$9,525,000

While the low bid is more than 10% above the engineer's estimate, we see no irregularities or items of concern that would necessitate rebidding the project. The design professional contacted Kenmore to review with them the major elements of their bid and determined their bid to be complete. Potential reasons for the higher than anticipated cost are outlined in the design professional's bid recommendation letter.

If you concur with this recommendation, please sign below and route one hard copy with wet signature to Melissa Tucker for WSRLA purposes and have the Fiscal Section prepare legislation. Should you have any questions please call the Project Manager, Ryan Shonk or the TSS Section Manager, Dave Opferman.


Signature _____ Date 6/3/19

cc: TSS File 834 – 28.6



May 31, 2019

Ryan Shonk
Technical Support Section
Division of Water
910 Dublin Rd
Columbus, OH 43215

**Reference: Bid Recommendation
Hap Cremean Water Plant, Concrete Rehabilitation Project
Contract 2141
CIP 690389-100000**

Dear Mr. Shonk:

The Hatch Team (Hatch) has reviewed the Bid Tabulation and QFF evaluation received from the City on May 30, 2019 for the above reference project.

Two bids were received on May 29, 2019 for Bid Package 1 at Hap Cremean Water Plant (HCWP).

Kenmore Construction Company, Inc.	\$13,599,420
Kokosing Industrial, Inc.	\$15,966,000

Hatch has performed a detailed review of the bids received, and Kenmore Construction Company, Inc. (Kenmore Construction) is the apparent qualified, responsible and responsive low bidder. From our review of the bid submitted by Kenmore Construction, we found no irregularities to warrant rejection.

Hatch contacted Kenmore Construction (Mr. Jeff Scott, Project Manager) via phone on May 30, 2019 to confirm that the bid included all scope identified in the Bidding Documents. Mr. Jeff Scott confirmed that Kenmore Construction is satisfied with their bid and will be able to complete the work for the bid amount submitted.

A specific item discussed during the call concerned the amount of uncompleted work that Kenmore had listed on bid form B8. Approximately \$156M of out of town work is scheduled to be completed by July, 2022. Mr. Jeff Scott indicated that the uncompleted work of concern is outside of the Columbus region, and does not utilize the resources of the Kenmore Construction Columbus Office.

The Engineers Opinion of Probable Construction Cost was \$9,525,000 for the scope of work presented in the bid package. The Kenmore Construction bid received for the subject project was more than 10% above the Engineers Estimate.

The following items are reasons we believe the difference in costs occurred:

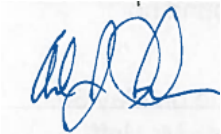
1. Only two bids were received for the HCWP Concrete Rehabilitation Project indicating a non-competitive bidding environment. Much of the project scope is concrete repair and waterproofing work, it is not uncommon for concrete repair projects to bid in the fall for a spring or summer start. The late spring bidding date (which was driven by HCWP production requirements) may have reduced interest in competent concrete repair specialty contractors due to already scheduled backlog.
2. As noted in Item 1, much of the work is concrete repair and waterproofing in this project. The two General Contractors may have increased the pricing to account for additional risk associated with concrete repairs and work they do not typically perform.
3. The General Requirements for this project included a complicated and tight timeline to complete the concrete repair work. The design and PCM team evaluated the construction schedule and determined it could be completed during standard work weeks, but the bid may include additional overtime cost to meet each milestone.
4. Much of the work (approximately 60%) would occur in cold weather months during 2020 and 2021. Concrete work requires additional protection from cold weather increasing the cost of construction.
5. Site access and allowable loads on walkways around the basins and tanks is restricted in the basin complex. The basins and tanks included in this project are typically over 350 feet in length requiring a large crane to reach areas requiring debris removal.

Costs for items 4 through 5 were incorporated into the engineers estimate, but we believe were below that reflected in the Kenmore Construction bid.

Due to the importance of this project to address deterioration at HCWP and to maintain reliability of water production, Hatch recommends award of the project to Kenmore Construction Company Inc. in the amount of \$13,599,420.

Please do not hesitate to contact us regarding this recommendation or any further questions you may have.

Yours Respectfully,



Arnol J Gillum, P.E.
Senior Engineer

cc: David Opferman, P.E. - DOW, TSS
Ryan Shonk - DOW, TSS
Stacia Eckenwiler, P.E. - DOW, TSS
Hasan Alkhayri, P.E. - Hatch