



City of Columbus
Mayor Michael B. Coleman

Copy, Please include all backup materials in legislation.

Department of Public Utilities
Tatyana Arsh, P.E. Director

MEMORANDUM

TO: Richard C. Westerfield, P.E., Ph.D.
Administrator, Division of Power & Water

FROM: Roger C. Huff, P.E. *rch*
Technical Support Section Manager
Division of Power & Water

DATE: June 23, 2008

RE: Dublin Road Water Plant Disinfection and Miscellaneous Improvements
Contract No. 966, Part 1, Project No. 690379

Three (3) sealed proposals for construction of the subject project were received and opened on June 18, 2008 as follows:

Shook Heavy & Environmental Group	\$13,026,273.12
Crace Construction Company	\$14,157,771.67
Dugan & Meyers Construction Co.	\$14,332,585.40

The Engineer's Estimate prepared by Malcolm Pirnie, Inc. was: \$14,400,000.00

The current Capital Improvement Budget includes \$9,000,000 for this project. This amount was last reviewed and confirmed by Malcolm Pirnie approximately six (6) months ago. They updated the Engineers' Estimate for the project based on the changes in the last 6 months and from updated vendors' quotes (see attached email). The major items that have increased in price:

- Electrical estimate doubled to a current \$700,000.00 due to price escalation in materials.
- Replacement of the Rectangular Butterfly Valves increased \$600,000 due to escalation in materials (the last quote was received approximately a year ago).
- Offsite trucking of the last two feet of clearwell liquid adds about \$500,000.00.
- Increased unit price quantities of the repair items in the sedimentation basins and clearwells about 20% to account for extra repair areas since the last repair survey was performed more than two years ago. This added about \$650,000.00.
- Price escalations in concrete, steel, hand railing and other items added approximately \$400,000.00 since the last estimate update about 6 months ago.

The total of these items is \$2,850,000. Adding 10% General Contractor OH and Profit plus 15% Subcontractor OH and Profit and 15% Force Account puts the total increase to the estimate about \$4,150,000.

Utilities Complex	910 Dublin Road	Columbus, Ohio 43215
Director's Office	614/645-6141	FAX: 614/645-8019 TDD: 614/645-6454
Power and Water Division	614/645-7020	FAX: 614/645-8177 TDD: 614/645-7188
Operational Support Division	614/645-1508	

Fairwood Complex	1250 Fairwood Avenue	Columbus, Ohio 43206
Sewerage and Drainage Division	614/645-7175	FAX: 614/645-3801 TDD: 614/645-6338

The bids have been reviewed for conformance with City requirements as indicated on the attached Bid Evaluation Form. All three bids were considered responsive. The bids of Shook and Crace were considered fundamentally equivalent bids based on the credits received under the Tier II – Credible Factors section of the contract documents.

Shook submitted the low bid at opening of \$13,026,273.12. After applying the Tier II Credible Factors section, Shook's final dollar amount after credits was \$12,926,273.12. This was the low bid amount for the project after the Tier II Credits were applied.


Crace submitted a bid of \$14,157,771.67. After applying the Tier II Credible Factors section, Crace's final dollar amount after credits was \$14,057,771.67.

The attached bid review and recommendation letter prepared by Malcolm Pirnie provides a detailed analysis. Based upon their evaluation of the Bid Submittal documents received, Shook is qualified to perform the work, and they recommend that the City proceed with award of contract.

Based upon the evaluation of the bids received, it is recommended to award the contract for DRWP Disinfection and Miscellaneous Improvements to the lowest responsive and responsible bidder, Shook Heavy & Environmental Group in the amount of \$13,026,273.12.

If this meets your approval, please sign below and return to the Technical Support Section.

Approved

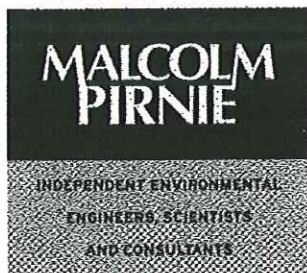


Richard C. Westerfield, P.E., Ph.D.
Administrator, Division of Power & Water

RCW:rch

Enclosures:

Bid Evaluation Form
Tabulation of Bids Form
MPI Bid Evaluation letter
MPI Engineer's Estimate email



Malcolm Pirnie, Inc.
1900 Polaris Parkway
Suite 200
Columbus, OH 43240
T: 614-888-4953
F: 614-888-6295
www.pirnie.com

June 23, 2008

Mr. Roger C. Huff, P.E.
City of Columbus
Division of Power and Water
910 Dublin Road
Columbus, Ohio 43215-9053

Re: Dublin Road Water Plant
Disinfection And Miscellaneous Improvements
Contract No. 966, Part 1, Project No. 690379
Bid Evaluation

Dear Mr. Huff:

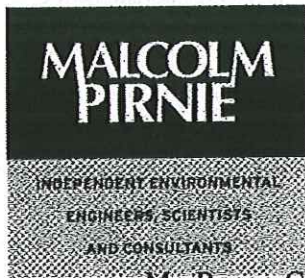
We have completed our review of the Bids that were opened on June 18, 2008 for the Dublin Road Water Plant, Disinfection and Miscellaneous Improvements Project, Contract No. 966, Part 1, Project No. 690379. Based upon our evaluation of the Bids received, we recommend the City award this Contract to the lowest Bidder, Shook Heavy and Environmental Group, a Division of Shook Inc., in the amount of \$13,026,273.12. The following presents the results of our Bid evaluation and the basis for this recommendation.

A separate Bid review checklist for each Bid submitted is enclosed. Additionally, the Bid Tab, jointly prepared by Malcolm Pirnie and the City, and the City of Columbus Bid Evaluation Form that was prepared by the City of Columbus are attached.

The following Contractors submitted Bids; the bid amounts listed are as shown on the submitted bid forms:

- Shook Heavy and Environmental Group \$ 13,024,732.00
- Crace Construction Company. \$ 14,157,498.00
- Dugan & Meyers Construction Co. \$ 14,332,789.00

A summary of each Contractor's Bid Review is presented on the following pages:



Mr. Roger C. Huff, P.E.
Division of Power and Water

June 23, 2008
Page 2

Shook Heavy and Environmental Group

Shook Heavy and Environmental Group submitted the low Bid for this Contract. Review of Shook's Bid Submittal revealed the following irregularities:

- The total bid amount as submitted is \$13,024,732.00. The Bid Tab indicates that the total bid amount should be \$13,026,273.12. The discrepancy is due to rounding errors in the Unit Price Items.
- Tier II, Creditable Factors C-1: Shook does not qualify for Local Business Credit.
- Tier II, Creditable Factors C-6: Shook indicated that they meet the definition of "environmentally preferable" however, only a letter stating that Shook will participate in Construction Site Waste Management Plan for this project was submitted with the bid.
- Tier III, History and Experience Factor HE-8: Shook has indicated that it has received a "Serious" OSHA violation and has provided documentation. The violation occurred on January 13, 2005; outside of the three year requirement.

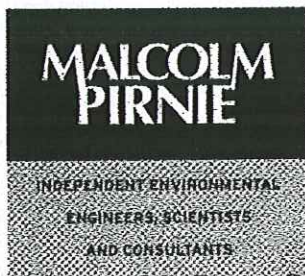
As part of the Bid Submittal, each Bidder was required to completely fill out the Qualifications and Resource Factor information located on Pages P-5 through P-28 of the Bid Forms. This information was transferred to the City of Columbus Bid Evaluation Form for all three bidding contractors. Shook's responses to the Tier I, Mandatory Factors were acceptable allowing the Bid Evaluation to proceed to Tier II. Responses to the Tier II, III and IV Factors were acceptable.

Shook and its proposed sub-contractor, Dyanaelectric Co. have current City of Columbus Contract Compliance Numbers.

Crace Construction Company

Crace Construction Company submitted the second lowest bid for this contract. Review of Crace's Bid Submittal revealed the following irregularities and/or discrepancies:

- The total bid amount as submitted is \$14,157,498.00. The Bid Tab indicates that the total bid amount should be \$14,157,771.67 based on the individual line item prices.



Mr. Roger C. Huff, P.E.
Division of Power and Water

June 23, 2008
Page 3

- Tier II, Creditable Factors C-1: Crace does not qualify for Local Business Credit.
- Tier II, Creditable Factors C-5: Crace did not indicate the required retirement or pension plan payment percentages.
- Tier III, History and Experience Factor HE-8: Crace indicated six "Willful" or "Serious" citations occurred in 2005 and 2006 at two job sites from Occupational Health and Safety Administration (OSHA). The City of Columbus researched Crace's record on the OSHA website and found eight additional citations occurred in 2007.
- Tier III, Safety Compliance Factor HE-10: Crace responded that they qualify for a rating of 1.10 for the Bureau of Workman's Compensation Experience Modification Rating, indicating that their average loss is 10% higher than the industry average for businesses of similar type and size.
- Tier IV, Resource Factors R-4: No information for the on-site/local safety competent professional was provided.

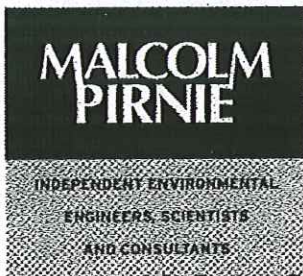
Crace's responses to the Tier I, Mandatory Factors were acceptable allowing the Bid Evaluation to proceed to Tier II. Responses to Tier II creditable factors produced a Fundamentally Equivalent Bid amount allowing the Bid Evaluation to progress to subsequent Tiers. Crace's responses to the Tier III, History and Experience Factors resulted in a -1 total score.

Crace and its proposed sub-contractors, Dyanaelectric Co., Ram Construction, and Kalkreuth Roofing have current City of Columbus Contract Compliance Numbers.

Dugan & Meyers Construction Company, Inc.

Dugan & Meyers Construction Company, Inc. submitted the highest Bid for this Contract. Review of Dugan & Meyers' Bid submittal revealed the following irregularities and/or discrepancies:

- The total bid amount is \$14,332,789. The Bid Tab indicates that the total bid amount should be \$14,332,585.40 based on the individual line item prices.
- Tier I, Mandatory Factors M-5: Dugan & Meyers indicated that they propose to subcontract a portion of the Work, but did not provide the names of any of the proposed Subcontractors (this information is provided elsewhere in the Bid



Mr. Roger C. Huff, P.E.
Division of Power and Water

June 23, 2008
Page 4

Form).

- Tier II, Creditable Factors C-3: Dugan & Meyers does not qualify for Quality Training Contractor Credit.
- Tier II, Creditable Factors C-6: Dugan & Meyers does not meet the definition of "environmentally preferable."

Dugan & Meyers' responses to the Tier I Mandatory Factors were acceptable allowing the Bid Evaluation to progress to Tier II. The responses to the Tier II Creditable Factors resulted in a non-fundamentally Equivalent Bid (exceeding 10% of lowest bid) and subsequently disqualifying Dugan & Meyers' Bid from further evaluation.

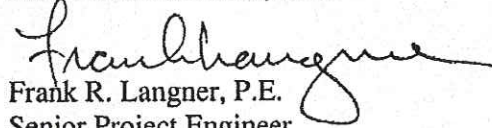
Dugan & Meyers and its three proposed sub-contractors, Ram Construction, Dyanaelectric Co. and Synargo have current City of Columbus Contract Compliance Numbers.

Based upon our evaluation of the Bid Submittal documents received, Shook is qualified to perform the work required for the Dublin Road Disinfection and Miscellaneous Improvements Project. We recommend that the City proceed with award of Contract No. 966, Part 1, Project No. 690379 to Shook Heavy and Environmental Group for the total contract amount of \$13,026,273.12. Our recommendation is qualified subject to the approval of the City's Legal Representative.

Please contact us if you have any questions or need additional information concerning our evaluation.

Very truly yours,

MALCOLM PIRNIE, INC.



Frank R. Langner, P.E.
Senior Project Engineer

Enclosures:

Bid Review Checklist (9 pages)

Bid Tabulation (1 page)

City of Columbus Bid Evaluation Form (1 page)

Huff, Roger C.

From: Langner, Frank [FLangner@PIRNIE.COM]
Sent: Tuesday, June 17, 2008 6:47 PM
To: Huff, Roger C.; eppich, Mark M.; Hurd, Michael J.; Siegfried, Miriam C.
Cc: Mess, Steve
Subject: Sedimentation Basin/Clearwell Rehab Engineers Estimate

Roger,

We have updated the Engineers' estimate for the project based on the changes in the last 6 months and from updated vendors quotes just recently received.

The current Engineers estimate is \$14,400,000. (with the 15% force account)

The major items that have gone up in price:

- Electrical estimate has doubled to a current \$700,000.00 due to price escalation in materials.
- Replacement of the Rectangular Butterfly Valves has increased \$600,000 due to escalation in materials (the last quote we received was about a year ago).
- Offsite trucking of the last two feet of clearwell liquid adds about \$500,000.00.
- We had increased the unit price quantities of the repair items in the sedimentation basins and clearwells about 20% to account for extra repair areas that would probably crop up since the last repair survey we performed is more than two years ago. This added about \$650,000.00.
- Price escalations in concrete, steel, hand railing and other items added approximately \$400,000.00 since the last estimate update about 6 months ago.

The total of these items is \$2,850,000. Adding 10% General Contractor OH and Profit plus 15% Subcontractor OH and Profit and 15% Force Account puts the total increase to the estimate about \$4,150,000.

The bids should be interesting tomorrow.

See you then.

Frank Langner, P.E.
Malcolm Pirnie, Inc.
1900 Polaris Parkway
Columbus, Ohio 43240
614-430-2642
Fax: 614-888-1266
flangner@pirnie.com

6/24/2008