



CH2MHILL

CH2M HILL
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November 1, 2010

Mr. Jay Gewin
Utilities Manager
City of Key West
3140 Flagler Avenue
Key West, FL 33040

Re: Contractor Recommendation
Headworks Modifications at the Richard A. Heyman Environmental Protection Facility

Dear Mr. Gewin:

Six (6) bids were received for the subject contract on October 28, 2010 and are summarized in the attached Bid Results Summary table. All six (6) bids included a signed proposal and all the required forms.

The apparent low bidder, Encore Construction Company, has recent construction experience working on similar projects in the Florida Keys, and has also worked on similar projects throughout Florida with excellent references.

The City has received bids from its General Utility (GU) contractors for the work included in the Headworks project, as deductive alternates. Encore Construction Company's deductive alternate bids are significantly lower than the bids received under the GU contract. Additionally, the additive alternate for the replacement of the WWTP MCC's is within the budgeted amount.

We therefore recommend that the City award the Headworks Modification contract to Encore Construction Company, in the amount of **\$3,056,000** which includes the additive alternate in the amount of \$86,000. We do not recommend reducing the scope for the deductive alternates based on the favorable bid. The low bid is substantianly below the engineers estimate.

Please call me if you have any questions or need additional information.

Sincerely,

CH2M HILL

Andrew H. Smyth, P.E.

cc: David Fernandez/City Key West
File

Table 1
Bid Results
Summary

Description	Bidder							
	Wharton Smith	Encore	DN Higgins	TLC Diversified	Metro Equipment	Wright Construction	Engineers Est	GU Contractor
Headworks Mods	\$3,177,000	\$2,803,000	\$4,128,000	\$3,223,000	\$4,173,600	\$4,173,600	\$3,418,979	
Contingency Allowance	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
Concrete allowance (SF)	\$30,000	\$37,500	\$33,500	\$31,500	\$21,000	\$50,000	\$50,000	
Instrumentation allowance	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	
Permitting allowance	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	
Over Excavate allowance (CY)	\$5,000	\$4,500	\$7,500	\$7,200	\$1,200	\$10,000	\$20,000	
Total Lump Sum Bid	\$3,337,000	\$2,970,000	\$4,294,000	\$3,386,700	\$4,320,800	\$4,358,600	\$3,613,979	
Additive Alternate	\$80,000	\$86,000	\$72,000	\$72,000	\$122,000	\$70,000		
Deductive Alternate #1 (HDPE)	\$350,000	\$250,000	\$480,000	\$481,000	\$165,000	\$560,000		\$477,294
Deductive Alternate #2 (Eaton & White)	\$520,000	\$150,000	\$430,000	\$422,000	\$125,000	\$340,000		\$405,003