



LOWM 098976

MEMORANDUM

TO: Eric Traub, Chief Financial Officer

FROM: Edward P. Pluciennik, PE, Township Engineer
Joann Ma, Project Manager

DATE: September 27, 2017

SUBJECT: Knox Channel Masonry Wall Repairs
Bid Review
LMT Contract No. 4652-17-36

As requested, we have reviewed the following bid submitted by Mar-Allen Concrete Products, Inc, the apparent low bidder for the above-referenced project:

Base Bid	\$210,880.00
Contingencies	<u>\$ 46,140.00</u>
Total Bid Amount	\$257,020.00

We find the total bid amount to be unreasonable for the items of work required. This total amount of \$257,020 is more than double our cost estimate of \$105,000 to \$125,000. Our estimates were prepared by using nationally accepted estimating standards and local knowledge of construction costs of similar projects.

In addition, since there were only two bids submitted, and the second bid is three times higher than the low bid, we have little basis to support a recommendation to award the contract at the low bid.

Therefore, we recommend not awarding this Contract at this time and to rebid the project at later date after we review the scope of work and special conditions for potential modifications to increase bidders' interest and obtain more competitive bids.

Please feel free to contact us if you have any questions or if you wish to discuss any of the above.

cc: Ernie B McNeely, Township Manager
Donald K Cannon, Director of Public Works
Pete Mancini, Highway Supervisor

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