Bid comparisons of the two lowest bidders

| Contractor         | MSI Enterprises        | вто       | BT Construction |  |
|--------------------|------------------------|-----------|-----------------|--|
| Bid Amount         | \$ 1,266,827.75        | \$        | 1,296,734.00    |  |
| Math Error in Bid  | \$ 810.00              |           |                 |  |
| Revised Bid Total  | <u>\$ 1,267,637.75</u> | <u>\$</u> | 1,296,734.00    |  |
| *Street Cut Fee    | \$ 46,912.50           | \$        | 19,102.50       |  |
| Total Project Cost | <u>\$ 1,314,550.25</u> | \$        | 1,315,836.50    |  |
| Difference         | ,                      | \$        | 1,286.25        |  |

<sup>\*</sup>Street cut fee costs paid by Water and Power to Public Works

## Justification for selecting 2nd lowest bidder (BT Construction Inc.)

- Only a minor increase in costs, due to street cut fee savings.
- Likely a reduction in construction inspections costs, due to an anticipated shorter construction schedule.
- Low bidder (MSI Enterprises) does not meet the experience requirements that were set forth in the bid documents
- After meeting with MSI Enterprises and checking their references, staff feels that this
  project is too large for this size of company (5 employees including the owner)
   All references indicated that MSI Enterprise is capable of quality work; however, their progress
  is slow due to their limited size.
- BT Construction will be installing the new waterline by pipe bursting on three of the six locations, this will minimize the impact of the construction on the residence in these neighborhoods..
- Staff recommendation is to award this contract to BT Construction Inc. in the amount of \$1,296,734.00 and authorize the City Manger to execute the contract.