

Attachment C



MEMORANDUM

TO: Todd Curtis
Civil Engineer
County of Santa Barbara RRWMD

FROM: Michael A. Cullinane, PE

RE: Low Bidder Verification Memo

DATE: January 22, 2018

This Memorandum is to confirm that the Low Bidder, Whitaker Construction Group Inc. for the Phase IIIC Groundwater Protection Project at the Tajiguas Sanitary Landfill meets the requirements listed below:

1. Construction Bid Units verified with overall bid price;
2. Construction Bid compared to the Engineer's Estimate;
3. Contractor and Subcontractor License Registration and Status;
4. Checked for unbalanced bid prices; and
5. Contractor Mitigated Risk.

1.0 Construction Bid Prices

SWT has verified the unit, subtotal, and total Construction Bid Prices submitted by Whitaker Construction for the Phase IIIC Groundwater Protection Project.

2.0 Construction Bid Compared to the Engineer's Estimate

SWT has compared the Construction Bid Prices submitted by Whitaker Construction for the Phase IIIC Groundwater Protection Project to that of the Engineer's estimate and did not discover anything that was over priced for the work required.

3.0 Contractor and Subcontractor Status

SWT has confirmed that there Whitaker Construction and their subs for the Phase IIIC Groundwater Protection Project all have active License status and do not have any claims against them currently.

4.0 Unbalanced Bids

SWT has checked the Whitaker Construction Bid to see if there were any unbalanced bids. Whitaker Construction had a total bid which was \$22,201 less than the next lowest bidder, their bid contained only several bid items which had unit costs of \$50,000 different than the other bidders. Although each bid received had varying unit costs (which is typical), the following bid items had differences in bid item costs between them in excess of \$50,000.

ITEM	DESCRIPTION	WHITAKER CONSTRUCTION GROUP (LOW BIDDER)	RAMINHA CONSTRUCTION INC. (2ND LOW BIDDER)	PAPICH CONSTRUCTION CO. (3RD LOW BIDDER)
1A	MOBILIZATION	\$250,000.00	\$430,000.00	\$300,000.00
2B	CONSTRUCTION SUPPORT TASKS - STORMWATER COMPLIANCE & INTERIM EROSION CONTROL	\$59,700.00	\$16,400.00	\$100,000.00
2C	FACILITIES FOR CONT/COUNTY FIELD OFFICE	\$16,500.00	\$10,900.00	\$85,000.00
3B	CONST WATER PUP GENERATOR; MANIFOLD & STORAGE TANK	\$64,000.00	\$30,500.00	\$80,000.00
5	UNCLASSIFIED EXCAV FROM NORTH BORROW TO UNCLASSIFIED FILL WEST PAD	\$228,760.00	\$253,442.00	\$297,990.00
7	UNCLASSIFIED EXCAV FROM NORTH BORROW TO UNCLASSIFIED FILL 1- ACRE PAD STOCKPILE	\$70,000.00	\$77,000.00	\$141,200.00
8	UNCLASSIFIED EXCAV FROM NORTH BORROW LOW PERM MAT STOCKPILE TO UNCLASSIFIED FILL PHASE IIIC CHANNEL AND BERM	\$195,000.00	\$214,000.00	\$286,000.00
9	UNCLASSIFIED EXCAV FROM EAST STOCKPILE TO ADJ UNCLASSIFIED FILL	\$225,000.00	\$157,500.00	\$214,500.00
21	48" CORRUGATED SMOOTH INTERIOR WALL HDPE PIPE WITH BELL AND SPIGOT ENDS (PER DETAIL 2/D2) - (SUBJECT TO SUBSEQUENT PERMIT APPROVAL) - DELETABLE	\$46,800.00	\$29,772.00	\$79,200.00
TOTAL BID		\$2,553,962.00	\$2,576,163.00	\$3,099,679.00

As shown above, Whitaker's bid contained pricing that varied by more than \$50,000 including higher costs for some bid items (shown in red) and lower costs (shown in green) for others. The review shows that the 3rd low bidder has some unbalanced bid items. If you disregard the 3rd bid then there are only 2 bid items (Item 1A and 9) that vary by more than \$50,000. Of which Bid Item 1A Mobilization usually vary, but Whitaker is low bidder for this item. Bid Item 9 East Stockpile Excavation to Fill, Whitaker's bid is very close to the 3rd bidder's price (difference of \$10,500) as this is not on of the unbalanced bid items. Accepting a bid with unbalanced pricing may result in increased risks associated with appropriate charges and project quality, although Whitakers bid does not indicated any unbalanced bid items.

5.0 Contractor Mitigated Risk

The first step for this mitigation is to review bids for errors in unit prices (based on the Engineer's Cost Estimate and other submitted bids) and verify the mathematics on the bid; the second step is to evaluate potential unbalanced bid items; and lastly, is to verify that the contractor's and subcontractor's licenses are in good standing.

SWT evaluated the unit prices and mathematics; neither has any discrepancies and the contractor's and subcontractor's license are all current and in good standing. Therefore, SWT does not recommend any further pre-award contract risk mitigation steps be taken.