

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20060660

1. ACTION REQUESTED/PURPOSE: Award B-06-15 IMPERIAL STREET (CR 850) 4-LANING FROM BONITA BEACH ROAD TO EAST TERRY STREET to the lowest responsive, responsible bidder, Posen Construction, Inc., in the not-to-exceed amount of \$12,487,130.32. Also, authorize Chairwoman to execute contract on behalf of the Board upon receipt. This project was anticipated and funds are available.

2. WHAT ACTION ACCOMPLISHES: Provides Lee County with a Contractor for the reconstruction of 1.01 miles of existing Imperial Street as a four lane divided roadway, construction of a 217' long four lane bridge over the Imperial River, sidewalks on both sides of roadway, water management system, signalization at Dean and East Terry Streets and improvements at the approaches to Imperial Street and East Terry Street.

3. MANAGEMENT RECOMMENDATION: Approval recommended.

4. Departmental Category 09 C9A		5. Meeting Date: 06-13-2006
6. Agenda: <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Administrative <input type="checkbox"/> Appeals <input type="checkbox"/> Public <input type="checkbox"/> Walk-On	7. Requirement/Purpose: (specify)	
	<input checked="" type="checkbox"/> Statute	
	<input type="checkbox"/> Ordinance	
	<input checked="" type="checkbox"/> Admin. Code	AC-4-4
	<input type="checkbox"/> Other	
		8. Request Initiated: Commissioner _____ Department <u>Transportation</u> Division _____ By: <u>Scott Gilbertson, Director</u>

9. Background:

The Department of Transportation submitted a request to Contracts Management to obtain bids for the Imperial Street (CR 850) 4-Laning From Bonita Beach Road To East Terry Street project. The anticipated cost required the use of the formal advertised, sealed bid procedure.

On the bidding deadline of March 29, 2006. Contracts received two (2) bids. The bids have been reviewed by the Department of Transportation and the projects' consultant, Hole Montes, and it is being recommended that award be made to the lowest responsive, responsible bidder, Posen Construction, Inc., in the not-to-exceed amount of \$12,487,130.32.

This project was anticipated and funds are available in the following account: 20406063000.506540.

- Attachments: (1) Bid Tabulation
 (2) Consultant Recommendation of Award
 (3) Department Recommendation of Award

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>[Signature]</i>	<i>[Signature]</i>	N/A	CAO S/KS	<i>[Signature]</i> 6/1/06	<i>[Signature]</i> 6/1/06	<i>[Signature]</i> 6/1/06	<i>[Signature]</i> 6/1/06	<i>[Signature]</i> 6/1/06	<i>[Signature]</i> 5.10.06

11. Commission Action:

- Approved
 Deferred
 Denied
 Other

RECEIVED BY COUNTY ADMIN: <i>[Signature]</i>
Date: <i>6/1/06 9am</i>
COUNTY ADMIN FORWARDED TO: <i>[Signature]</i>
Date: <i>6-1-06</i>
Time: <i>9:30 AM</i>

Rec. by CoAtty <i>[Signature]</i>
Date: <i>6/1/06</i>
Time: <i>8:30 AM</i>
Forwarded To: _____
Date: <i>6/1/06</i>

**LEE COUNTY BID TABULATION SHEET
FOR
IMPERIAL STREET (CR 850) 4-LANING
FROM BONITA BEACH ROAD TO EAST
TERRY STREET**

BID NO.: B-06-15 **DATE: March 29, 2006**

CONTRACTOR	BID BOND	TOTAL NOT-TO-EXCEED AMOUNT
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Better Roads, Inc. Mr. Drew Clark 1910 Seward Avenue Naples, FL 34109 PHONE 239-597-2181 FAX 239-597-1597	\$600,000.00	\$13,070,960.55
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Posen Construction, Inc. Mr. Steven Funck 50500 Design Lane Shelby Township, MI 48315 PHONE 586-731-8442 FAX 586-731-2690	\$600,000.00	\$12,487,130.32
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6200 Whiskey Creek Drive, Fort Myers, Florida 33919 Phone: (239) 985-1200 Fax: (239) 985-1259

May 8, 2006

Ms. Nicole Maxey
Project Manager
Lee County Department of Transportation
1500 Monroe Street
PO Box 398
Fort Myers, FL 33902-0398

**RE: IMPERIAL STREET FOUR-LANING
BONITA BEACH ROAD TO EAST TERRY STREET
LCDOT PROJECT 4060, SOLICITATION B-06-15
APPARENT LOW BIDDER – POSEN CONSTRUCTION, INC.**

Dear Ms. Maxey:

A bid opening was held on Wednesday, March 29 for the above referenced project. Hole Montes has performed an evaluation of the bids submitted, with our results contained herein. Two (2) bids were received by the time designated in the Invitation to Bid and subsequent Addendum. At the bid opening performed by the Lee County Contracts Management Department, the following bids were read aloud. For convenience purposes, we have listed those bids from lowest to highest.

BIDDER	AMOUNT BID
POSEN CONSTRUCTION, INC., SHELBY TOWNSHIP, MI:	\$ 12,487,130.32
BETTER ROADS, INC., NAPLES, FL:	\$ 13,070,960.05

Following the bid opening, Lee County prepared a Bid Tabulation. The totals above were provided to Hole Montes by Lee County.

Bid Bond

Both bidders provided a bid bond in the amount of 5% of their bid, as required.

Alternate Bids

No alternate bids are associated with this project.

Internet Research

Posen Construction, its office located in Shelby Township, Michigan, has been in business for 26 years and specializes in construction of bridges and highways, municipal water and sewer, commercial and residential subdivision development, marine construction, amusement and community park work, airport construction, and electrical work.

Reference Inquiries

References have been contacted by Hole Montes and the City of Bonita Springs (for East Terry Street) regarding past performances of Posen Construction. Comments by the project contact person are attached in the provided summary and questionnaire responses. The general opinion from responding references is that Posen has provided timely work completion, have provided good quality work, and they would be hired again in the future. See the attached reference summary prepared by the City of Bonita Springs for Posen Construction dated 2/21/06.

Bid Analysis

The bids received were approximately 6% higher than the project's final estimated cost of \$11.767 million. Estimates are mainly based from past bidding unit prices of FDOT and local government projects with adjustments for project-specific work. Recent bid history from the City of Bonita Springs and LCDOT projects including East Terry Street and Three Oaks Parkway were particularly utilized. The basis of these historical unit prices was also adjusted in an attempt to reflect the cost increases over the past year in the construction industry in SW Florida.

Please note the following for the apparent low bidder, Posen Construction:

1. The roadway bid is 8.7% greater than the estimated cost. 9 out of 88 items had item price variation that amounted at least 10% of the roadway cost variation. The four of these items that were increases over the estimate are related to up-front costs (Mobilization, Maintenance of Traffic, Stormwater Pollution Prevention and Clearing & Grubbing). The remaining items reduced the overall cost of the roadway construction (Pavement Removal, Embankment, Flowable Fill, and Asphalt). Note that the bid received from Better Roads had the four items at a total lower than the estimated cost.

The specific item increases above reveal the bid is likely to maximize up-front funding of the project, and is markedly sensitive to the technical requirements of the front-end items.

As is customary, this road project is set up to bid with the entirety of

mobilization and maintenance of traffic in the roadway portion of the project. Thus, higher costs in other plans adversely influence the roadway Mobilization costs.

2. The signing and marking bid is 12.1% lower than the estimated cost. The bid increase for Skip Striping is offset by Removal of Pavement markings and others. The bid by Better Roads was higher than the estimate for signing and marking.
3. The signalization bid is 24.8% less than the estimated cost. Again, the bid by Better Roads was higher than the estimate.

The low price provided by Posen Construction on mast arm assembly and vehicle detector items is responsible for the reduction. A similarly low price for these items was provided by Posen Construction for the East Terry Street bid.

4. The lighting bid is 50.4% greater than the estimated cost. The variance in bid price versus estimate for the Lighting Pole item accounts for the entire increase in roadway lighting. A similarly high price for these items was provided by Posen Construction for the East Terry Street bid.
5. The bridge bid placed by Posen Construction is 1.3% lower than the estimated cost. There is some wide variation in individual item prices, however.
6. Overall, the low bid is 6.1% greater than the engineer's opinion of probable construction cost for the entire project. Better Roads' bid was 11.1% higher than the overall project estimate.

We believe that a portion of the overall project bid increase, and variation in bid prices, is attributable to the volatility in concrete, steel, and oil-based material prices coupled with the project's complexity, work within a tight right-of-way, coordination with existing utilities, and a fairly aggressive completion schedule. Allowances for fuel adjustments likely allowed a more confident bid, and a more reasonable price, however.

Additionally, the cost of the mobilization-related pay items is really reflective of the saturation of public and private contract work in the area, which is also evidenced by this project receiving only two bid responses. Several other recent projects have received limited bidders as well, including East Terry Street (\$6M, 2 bids), Three Oaks Parkway (\$29M, 4 bids), Gunnery Road (\$10M, 2 bids), and Summerlin Road (\$39M, 3 bids twice).

Posen Construction's bid for East Terry Street had generally higher unit prices, while unit prices for Three Oaks Parkway were lower on aggregate. Note that there are no similar bridge items on the Three Oaks Parkway project.

Summary

The references of the low bidder, Posen Construction, have been reviewed and are positive. This company has a good amount of experience in highway construction and bridge work.

The bidders are within five percent of one another for the entire project, which indicates to some extent that the bidders provided a reasonable, well conceived and fair bids for the project. It is our opinion that there is no reason to consider rebidding the project. Also, Posen Construction has been awarded the East Terry Street and Three Oaks Parkway projects. If Posen Construction is awarded Imperial Street, one would anticipate enhanced coordination with the Imperial Street construction.

For the reasons discussed previously, we therefore recommend that Lee County consider awarding this contract to the low bidder, Posen Construction, even though the total bid is somewhat higher than anticipated. Our recommendation should be considered along with any administrative, legal, and budgetary reviews that Lee County will be performing.

If you have any questions or require any further clarification, please call.

Very truly yours,

HOLE MONTES, INC.

James Kosluchar, PE

Cc: Walt Gilcher, Hole Montes

Enclosures: Bid Tabulation (7 pages)
Reference Summaries (3 pages)

**City of Bonita Springs
9101 Bonita Beach Road
Bonita Springs, FL 34135
239-949-6243**

Memorandum

Date: February 21, 2006
To: File
From: Lori Ludington, Public Works Contract Coordinator/Administrator
Re: References for Posen Construction, Inc.

I checked the references on the above referenced company for the East Terry Street Widening Project

Michigan Department of Transportation
Roger Teale
(313) 965-6350

Posen, Inc. did an I-75 bridge project at a cost of \$35M, and a resurfacing and median installation at a cost of \$2M. They also did work on a convention center at a cost of \$7M. They do good quality work with deadlines all met. Very pleased and would hire them again. They are currently under contract with MDOT.

Spaulding DeDecker
Paul Wade
(313) 967-4700

Posen, Inc. has done bridgework projects that have been in the \$1M to \$3M price range. Paul Wade reports that he has had an eleven year professional relationship with Posen, and they are always ahead of schedule. Would hire them again.

JM Olson
Tim Honway
(586) 771-9330

Currently Posen is working on the Detroit Riverwalk, Phase II, \$3M project. Their work is excellent, no problems and they are very accessible. Would hire them again.

Detroit Development Authority
Tiffany Smith, Assistant Project Manager
(313) 963-2940

Posen, Inc. has worked on several projects in the \$200,000 to \$3M price range. They are open to change, always on site, timely, on schedule, and willing to add people when falling behind. They do not use many sub contractors. Would hire them again.

cc: Daryl C. Walk, P.E., Public Works Manager

Crone, Lisa H.

From: Webster, Eileen
Sent: Tuesday, May 16, 2006 3:21 PM
To: Crone, Lisa H.; Davies, Amelia M.
Cc: Dearborn, Beverly A.
Subject: RE: B-06-15 IMPERIAL STREET WIDENING

We are awaiting a transfer of funds from Bonita which we anticipate getting tomorrow or Thursday and the budget will need to be amended as well. Plan is to have this award and the approval of an amended agreement with Bonita for the additional funds on the same agenda with the budget amendment language on one of the blue sheets. The account number is 20406063000.506510.

Eileen Webster, Sr. Fiscal Officer
Lee County DOT
1500 Monroe Street
Fort Myers, FL 33901
Phone: 239-479-8507
Fax: 239-479-8520
EWebster@leegov.com

From: Crone, Lisa H.
Sent: Tuesday, May 16, 2006 3:12 PM
To: Webster, Eileen; Davies, Amelia M.
Cc: Dearborn, Beverly A.
Subject: B-06-15 IMPERIAL STREET WIDENING

Can I please get an account string to blue sheet award for this project? The total NTE amount is \$12,487,130.32, Project 4060.

Thanks.

Lisa Crone
Contracts Specialist
239-335-2675
Fax 239-335-2335

Crone, Lisa H.

From: Maxey, Nicole C.
Sent: Tuesday, May 16, 2006 2:29 PM
To: Crone, Lisa H.
Subject: Imperial Street Bid Award

Lisa,

Lee County DOT agrees with our consultant, Hole Montes, in recommending that the Imperial Street Widening bid be awarded to Posen Construction.

Nicole C. Maxey, P.E.
Lee County Department of Transportation
1500 Monroe Street
Fort Myers, FL 33901
(239) 479-8569
(239) 479-8520 Fax
www.lee-county.com