



LAKE HAVASU CITY

Community Investment Department

ENGINEERING ♦ PROCUREMENT ♦ BUILDING ♦ PLANNING & ZONING ♦ CODE ENFORCEMENT

MEMORANDUM

Date: October 18th 2018
To: Greg Froslic, P.E., Community Investment Director
From: Jeff Herb, PE, Project Manager
Subject: **Lake Havasu Avenue Reconstruction Project Re-Bid
Project No. ST3270
Lowest Responsive Bidder – C.S. Legacy Construction, Inc.**

We have recently performed a review of the contract documents, references, contractor's license, and contractor's surety for the above-referenced bidder. The following information summarizes our findings:

C.S. Legacy Construction, Inc. has completed several projects similar to this one and has experience working with government agencies in the State of Arizona including Lake Havasu City. The majority of reports from the contractor's past project references were overwhelmingly positive. There was only one minor grievance regarding payment to a subcontractor which was resolved successfully. The majority of references have reported good workmanship, good working relationships, the work was completed on time, and no cost overruns or change orders on the contractor's behalf.

C.S. Legacy Construction, Inc. has an "A" license, which is the correct license for this work. Verification with the Registrar of Contractors found that their General Engineering License is in good standing with no complaints against them.

C.S. Legacy Construction, Inc. maintains surety through Great American Insurance Company, which is listed with the FMS US Treasury Department for underwriting ability in Arizona.

The budget for this project is \$3,790,000. Separate from this contract, construction services at will be \$158,996.00 and signal equipment purchased separately by the city will be \$54,485.82 leaving \$3,576,518.18 for actual construction. The Engineer's Estimate was \$3,282,519.50 for the base bid and \$3,644,763.50 for the total project including bid alternates #1 and #2. The low bid came in at \$3,570,372.59 for the base bid, and \$3,961,961.32 for the total project with bid alternates. To keep this project within budget, only the base bid will be awarded resulting in a project cost that is \$6,145.59

under budget. Bid Alternate 1 was for an upgraded pedestrian crosswalk finish and Bid Alternate #2 was for upgraded pedestrian lighting.

Engineers Cost Estimate:

Base + Force Account	\$3,282,519.50
Bid Alternate 1	\$141,104.00
Bid Alternate 2	\$221,140.00
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Total Cost Estimate	\$3,644,763.50

Low Bid:

Base + Force Account	\$3,570,372.59
Bid Alternate 1	\$228,676.67
Bid Alternate 2	\$162,912.06
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Total Bid	\$3,961,961.32

Other Project Costs:

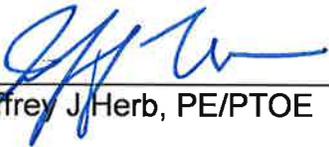
Construction Services (CS)	\$158,996.00
Cabinet Purchase	\$54,485.82
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	\$213,481.82

Total Project Cost:

Base Bid + CS + Signal Equipment (No Bid Alternates)	\$3,783,854.41
CIP Budgeted	\$3,790,000.00
Remaining Funds	\$6,145.59

With these findings, I recommend that the Base Bid and Force Account be awarded to C.S. Legacy Construction, Inc. in the amount of \$3,570,372.59.

Respectfully,



Jeffrey J. Herb, PE/PTOE

C: Jeremy Abbott P.E., CPM, Assistant City Engineer
 Mark Clark P.E., Operations Manager
 Lynette Singleton, Procurement Official
 Shannon Blakey, Contract Specialist