



LAKE HAVASU CITY

Community Investment Department

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

MEMORANDUM

Date: February 21, 2018
To: Greg Froslic, P.E., Community Investment Director
From: Jeremy Abbott, Assistant City Engineer
Subject: **Havasu Riviera Street and Utility Improvement Plans
Project No. PR2070
Lowest Responsive Bidder – Kinney Construction, LLC**

Lake Havasu City staff has 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:

All reports from Kinney Construction, LLC past project references have included quality workmanship, good knowledge of civil construction, effective and timely communication, completing work on schedule, and no cost overruns or change orders on the contractor's behalf.

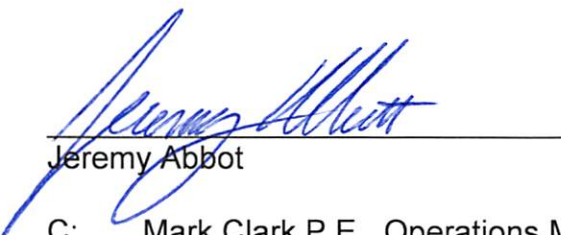
Kinney Construction, LLC has a Class KA Arizona contractor's license, which is a dual license that includes this scope of work. We verified with the Registrar of Contractors and found that their license is in good standing with no complaints against them.

Kinney Construction, LLC maintains surety through Travelers Casualty Insurance Company of America, which is listed with the FMS US Treasury Department for underwriting ability in Arizona.

The budget for this project is \$3,220,750 and the Engineers Estimate \$4,538,938.57. Kinney Construction LLC had the lowest responsive base bid at \$4,838,061.82. Funds are available in the following projects to cover the \$1,617,311.82 budget shortfall;

- WT7500, \$49,376
- WT6020, \$1,087,181
- SS3000, \$295,444.60
- FA1020, \$89,310.22
- PR2070, \$96,000 (Unused Construction Management)

All available funds with the exception of WT6020 are project savings. WT6020 funds were programmed this year for the design of the 2nd Ranney Well. That project has been delayed due to the need of a right of entry permit from Arizona State Parks for initial testing. With the use of the project savings above, and to meet the requirements of the Development Agreement I recommend to award this project in its entirety to Kinney Construction, LLC in the amount of \$4,838,061.82.



Jeremy Abbot

C: Mark Clark P.E., Operations Manager
Lynette Singleton, Procurement Official
Shannon Blakey, Contract Specialist
Brent Morris, Utility Supervisor (Distribution)
Ed Donahue, Utility Supervisor (Collections)
Engineering Division