



June 20, 2015

Levi Jensen, PE  
Utilities Project Manager  
City of Gillette  
PO Box 3003  
Gillette, WY 82717

Subject: Gillette Madison Pipeline Phase III Rehabilitation Project – Second Bid Opening

Dear Levi:

This letter is in regards to the second Bid Opening for this project. We received four bids, which are summarized on the attachment. All four bids were lower than the lone bid we received at the first Bid Opening, so rebidding this project was worthwhile.

The low bid was received from BGL Asset Services, LLC of Mt Pleasant, Michigan. Their bid amount of \$325,782 was \$221,700 less than the second low, and less than half the amount of the 3<sup>rd</sup> and 4<sup>th</sup> bidders. The low amount of their bid and that they were a long distance away and may not know the local issues that could affect their bid, were our first concerns.

We reviewed everything included with their bid package including the qualifications information they submitted. As you know we had significant qualifications requirements in the Contract Documents due to the specialty nature of this construction contract. These requirements were covered in detail at the PreBid Conference. Our review of their qualifications included the following items from the Contract Documents – Section 00200, Instructions to Bidders (Articles 11, 12, 14, 15 and 19) and Section 13100 Contractor Qualifications. Section 13100 became the focus because of the details associated with the qualification requirements that were spelled out in this section.

From this review, the following are our observations based on 1.03.B.b&c of Section 13100, evidence of similar experience and listing of 3 similar projects:

- They state “BGL has installed many deep well groundbeds for many different Gas/Oil transmission operating companies”. (not for this type of project)
- They did not provide a list of similar projects from the last 5 years.
- They also say “BGL feels that the request for references breeches certain aspects of what should be shared, and BGL must opt of providing some of the information requested for these references, we apologize for this deviation.”
- They then list 4 projects in Indiana, Illinois and Michigan. No projects within 200 miles were provided as was requested.
- Their deep anode ground beds are only ~200 feet deep. Not the 320-foot depth designed for this project.
- They also listed LIDA mixed metal oxide type anode for three of these projects and a conductive cement type backfill for the fourth project, which is also different than the type of anodes and backfill required for our project.
- The name and resume of the proposed superintendent was not provided.
- The name and experience of the driller was not provided.
- They didn’t provide information on schedule issues, cost overruns or claims on their past projects as requested.
- They didn’t provide the names of their equipment suppliers.

As allowed by the Contract Documents in our review of their qualifications by 1.04 of Section 13100 and Article 19 of Section 00200, we recommend BGL's bid be rejected based on qualifications.

We then reviewed the bid package of the second low bidder – WBI Energy Corrosion Services of Billings, MT. Their bid amount was \$547,490.00, which was lower than our estimate. It is also what we believe to be an acceptable price for this work. We contacted WBI Energy and they are comfortable with their bid amount. We also contacted references of WBI Energy. Based on our review of this package and the references, we believe WBI Energy Corrosion Services meets the requirements for qualifications contained in the Contract Documents and is qualified to do this work. We further recommend that WBI Energy Corrosion Services be awarded the construction contract for this project in the amount of \$547,490.00.

If you agree with this recommendation, we will prepare an award form to WBI Energy.

If you would like to discuss this analysis or recommendation, please contact me.

Thank you,

Sincerely,

DOWL

  
Dayton Alsaker, PE

c: Bryan Clerkin, WWDO PM; Bill Spickelmire, RUSTNOT

# City of Gillette Madison Pipeline Phase III Rehabilitation Project Bid Tabulation

Bid Date: June 3rd, 2015

Bid Item	Item Name	Units	Total	BGL Asset Services, LLC			WBI Energy Corrosion Services			QualCorr Engineering			TYVO, LLC		
				Unit Price	Extended Price	Unit Price	Unit Price	Extended Price	Unit Price	Unit Price	Extended Price	Unit Price	Unit Price	Extended Price	Unit Price
01020.01	MOBILIZATION	LS	1	\$ 16,367.00	\$ 16,367.00	\$ 5,850.00	\$ 5,850.00	\$ 5,850.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 38,000.00	\$ 38,000.00	\$ 38,000.00	\$ 38,000.00
01020.02	CONTRACT BONDS AND INSURANCE	LS	1	\$ -	\$ -	\$ 2,475.00	\$ 2,475.00	\$ 2,475.00	\$ 19,804.54	\$ 19,804.54	\$ 19,804.54	\$ 42,000.00	\$ 42,000.00	\$ 42,000.00	\$ 42,000.00
01500.11	CONSTRUCTION STORMWATER MANAGEMENT	LS	1	\$ -	\$ -	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
01510.01	CONSTRUCTION SIGNING AND TRAFFIC CONTROL	LS	1	\$ -	\$ -	\$ 14,000.00	\$ 14,000.00	\$ 14,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
02910.01	TEMPORARY FENCING	LF	2,000	\$ 4.00	\$ 8,000.00	\$ 12.00	\$ 24,000.00	\$ 24,000.00	\$ 1.00	\$ 2,000.00	\$ 2,000.00	\$ 5.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
13900.01	INSTALL CATHODIC PROTECTION STATION #1	LS	1	\$ 41,827.00	\$ 41,827.00	\$ 71,196.00	\$ 71,196.00	\$ 71,196.00	\$ 94,230.00	\$ 94,230.00	\$ 94,230.00	\$ 90,500.00	\$ 90,500.00	\$ 90,500.00	\$ 90,500.00
13900.02	INSTALL CATHODIC PROTECTION STATION #2	LS	1	\$ 43,853.00	\$ 43,853.00	\$ 69,534.00	\$ 69,534.00	\$ 69,534.00	\$ 91,000.00	\$ 91,000.00	\$ 91,000.00	\$ 71,800.00	\$ 71,800.00	\$ 71,800.00	\$ 71,800.00
13900.03	INSTALL CATHODIC PROTECTION STATION #3	LS	1	\$ 39,831.00	\$ 39,831.00	\$ 70,008.00	\$ 70,008.00	\$ 70,008.00	\$ 90,020.00	\$ 90,020.00	\$ 90,020.00	\$ 76,100.00	\$ 76,100.00	\$ 76,100.00	\$ 76,100.00
13900.04	INSTALL CATHODIC PROTECTION STATION #4	LS	1	\$ 43,630.00	\$ 43,630.00	\$ 70,263.00	\$ 70,263.00	\$ 70,263.00	\$ 90,139.00	\$ 90,139.00	\$ 90,139.00	\$ 75,200.00	\$ 75,200.00	\$ 75,200.00	\$ 75,200.00
13900.05	INSTALL CATHODIC PROTECTION STATION #5	LS	1	\$ 43,948.00	\$ 43,948.00	\$ 70,654.00	\$ 70,654.00	\$ 70,654.00	\$ 90,228.00	\$ 90,228.00	\$ 90,228.00	\$ 75,300.00	\$ 75,300.00	\$ 75,300.00	\$ 75,300.00
13900.06	INSTALL CATHODIC PROTECTION STATION #6	LS	1	\$ 47,269.00	\$ 47,269.00	\$ 71,391.00	\$ 71,391.00	\$ 71,391.00	\$ 96,049.00	\$ 96,049.00	\$ 96,049.00	\$ 96,900.00	\$ 96,900.00	\$ 96,900.00	\$ 96,900.00
13900.07	INSTALL CATHODIC PROTECTION STATION #7	LS	1	\$ 41,057.00	\$ 41,057.00	\$ 69,369.00	\$ 69,369.00	\$ 69,369.00	\$ 90,109.00	\$ 90,109.00	\$ 90,109.00	\$ 75,900.00	\$ 75,900.00	\$ 75,900.00	\$ 75,900.00
	<b>TOTAL PROJECT COST</b>				\$ 325,782.00			\$ 547,490.00			\$ 678,579.54		\$ 669,200.00		\$ 669,200.00