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May 5, 2020  
Project No. 19010

City of Gillette  
Utilities Department  
611 N Exchange Avenue  
PO Box 3003  
Gillette, WY 82717

Attn: Levi Jensen, P.E.

**RE: Donkey Creek Pump Station #1 – VFD Room Addition  
Bid Review & Recommendation**

Dear Levi:

Bids were received at 3:00 P.M. on April 29, 2020 for the above referenced Project, with five (5) general contractors submitting bids. Bid security and a "Certificate of Residency Status" were also submitted with each of the Bids. Each Bidder properly acknowledged receipt of Addendums 1 through 3.

The following is a listing of the Bids received, the commentary on their review, and our recommendations:

**A. Bids Received:**

Bids were received from Norton Construction, Inc., Powder River Construction, Inc., Van Ewing Construction, Inc., S&S Builders, LLC, and Hladky Construction, Inc., all of Gillette, Wyoming. The bids received were as follows:

Bidder	Base Bid	Alternate 1	Alternate 2	Total Bid (Base plus Alternates 1 & 2)
Norton Construction, Inc.	\$514,000.00	\$9,970.00	\$18,265.00	\$542,235.00
Powder River Construction, Inc.	\$415,000.00	\$13,800.00	\$20,000.00	\$448,800.00
Van Ewing Construction, Inc.	\$508,652.00	\$8,000.00	\$11,550.00	\$528,202.00
S&S Builders, LLC	\$686,595.00	\$10,375.00	\$8,275.00	\$705,245.00
Hladky Construction, Inc.	\$506,801.33	\$8,813.60	\$7,475.00	\$523,089.93
<i>Engineer's Estimate</i>				<i>\$558,517.00</i>

The work included in the Base Bid for this project includes the construction of a 611 sf VFD Room Addition to the original Donkey Creek Pump Station #1 building located approximately 13 miles east of Gillette, Wyoming. The work includes concrete footings, CMU walls, new roofing at the entire south half of the existing roof, additions to the electrical systems, additions to the mechanical systems, and other miscellaneous work.

A brief summary of the bid alternates is provided below:

- Bid Alternate 1: Consists of the cost to remove and reinstall the existing RTU-2 HVAC unit at the north wall of the existing building. The cost should include the grading and new concrete slab, removing and salvaging the existing wall vent at the new location, and reinstalling the salvaged wall vent at the old location. This work is not included in the Base Bid.
- Bid Alternate 2: Consists of the cost to sandblast and remove the existing paint at the interior side of the west, north and east walls of Existing Pump Room. This alternate also includes the application of water repellent to the exterior sides of the west, north, and east walls of the Existing Pump Room. This work is not included in the Base Bid.

B. Comments on Low Bid Received:

The low bid received for the Base Bid was from Powder River Construction, Inc. The following was noted:

1. The Powder River Construction bid included all required submittals.
2. The Bid listed the following subcontractors and/or suppliers:
  - a. Delta WYE..... Electrical
  - b. Powder River Heating & AC.....Mechanical
  - c. Accent Masonry ..... Masonry
  - d. Raisley Painting... Painting
3. There were no exceptions taken or conditions stated with the Bid.

C. Review of Other Bids Received

Only a cursory review of the other bids was performed. Further review of these bids can be performed at a later date, if necessary. Based upon our cursory review only, no bid abnormalities in the other bids received were noted.

D. Post-Bid Conversations with Low Bidder:

Following the bid opening, we discussed the bid with Steve Fichter of Powder River Construction, Inc. The following was noted during this discussion:

1. Powder River Construction, Inc. acknowledged that a subcontractor quote for the mechanical quote was erroneously left out of their total bid.
2. Despite their acknowledged bid discrepancy, Powder River Construction stated that they intend to complete all work, including the mechanical work, for their bid price, and thereby fully intend to honor their bid amount.
3. Other than the noted discrepancy on the mechanical pricing, Powder River Construction, Inc. is confident that they have the scope of the work captured in their bid.
4. Powder River Construction, Inc. indicated that the 60 working day requirement is achievable.
5. Powder River Construction, Inc. intends to self-perform all work except as noted in Section B.2 above.

E. Bid Analysis:

Review and comparison of the Bids indicates the following:

1. Powder River Construction's total bid amount including the Alternates was \$109,717.00 lower than (or 19.6% lower than) the Engineer's Estimate of \$558,517.00.
2. The average of the five total bid amounts received was \$549,514.39. The range between the high and low bids was \$256,445.00. This range is approximately 46.7% of the bid average, which indicates a high variance between the low and high bids.
3. The high variance between bids is the result of the previously discussed discrepancy in the Powder River Construction bid, and an unmotivated high bidder.

G. Recommendation:

Per our review of the bids received and the available funding for this project, we recommend that a contract be awarded to the low bidder, Powder River Construction, Inc. for the Base Bid plus Bid Alternates 1 and 2 for a combined amount of \$448,800.00.

The Bid amount does not include any contingency funds. Any changes in the scope of work or contract price occurring during the construction will be reviewed on a case-by-case basis, with changes in the cost of the work handled by written change order. We recommend that the City budget for a contingency amount of approximately \$40,000, as shown on our Engineer's Estimate, to account for changes in the cost of the work due to unanticipated conditions or changes in the work during construction.

Please feel free to call if you have any questions on the information included in this letter, or if we can be of any further assistance.

Sincerely;

Structural Dynamics, LLC



**Philip P. Hohn, PE**  
Principal Engineer