



**KC WATER
ENGINEERING**

DATE: January 23, 2025

TO: Kenneth C. Morgan, P.E., Director
Andy Shively, P.E., Deputy Director

FROM: Jacob Groh, Project Manager Initial
JG 1/23/2025

SUBJECT: **Bid Recommendation**
City Wide Sewer Main Rehabilitation – Fiscal Year 2026
Project No. 81001032
Contract No. EV3788

Bids

Bids for the above referenced project were received and opened January 14, 2025 with two (2) bidders responding. Bids were received from SAK Construction, LLC and Insituform Technologies USA, LLC. A summary of the Bid tab is provided below for reference.

| Bidder | Total Base Bid | 48-hour HRD Paperwork |
|----------------------------------|-----------------|-----------------------|
| SAK Construction, LLC | \$8,279,425.00 | Submitted |
| Insituform Technologies USA, LLC | \$12,047,284.00 | Submitted |

Project Description

Installation of all materials necessary for removal, replacement, and rehabilitation of existing sewer mains and the structures in the wastewater collection system and all other miscellaneous work as directed by the Water Services Department.

Source of Funds

8194-807790-B-611060

Bid Recommendation

The Project Manager reviewed the Bid Form and the bid prices submitted by SAK and Insituform. After evaluation, SAK Construction, LLC was recommended as the apparent lowest, responsive, responsible bidder.

Bid Price

The lowest bid price submitted is approximately \$3,767,859 less than the next lowest bid received.

MBE/WBE Participation

SAK Construction, LLC submitted 10% MBE and 10.17% WBE on their Contractor Utilization Plan. SAK Construction, LLC has no written violations of any MBE/WBE programs, incurred no penalties, and complied with all stated participation goals with respect to MBE/WBE on all other comparable projects.

Experience Reference Form

SAK Construction, LLC submitted the required Evidence of Competency and the Experience Reference Form/Summary for similar projects, which were completed within the last five (5) years. Past project references for SAK Construction, LLC appear to be in good standing.

Financial Statement

A review of the SAK Construction, LLC financial standing using the Dun and Bradstreet (D&B) ratings was performed. The review indicated SAK Construction, LLC has a credit rating of 1R4. The "1R" indicates the company has 10 or more employees. The "4" indicates a "limited" credit appraisal.

The 3-month PAYDEX score is 73, which indicates that payments to suppliers averaged eleven (11) days beyond terms. The D&B Viability Rating summary shows a score of 4 which indicates a low risk that the company will go out of business, become dormant/inactive, or file for bankruptcy/insolvency within the next 12 months. Overall, SAK Construction, LLC appears to be in sound financial standing and has similar risk and financial ratings compared to companies within the industry of similar size.

Claims and Lawsuits

SAK Construction, LLC provided a statement that no litigation or arbitration involving SAK Construction, LLC has occurred in the last five years.

OSH Safety Record and Experience Modification Ratio


SAK Construction, LLC has no OSHA violations that resulted in fines within the last three years; accident rates company-wide are 2.5 for Total Recordable Case Rates, Lost Time Case Rates and OSHA Violations. SAK Construction, LLC submitted Experience Modification Ratio (EMR) of 0.50, indicating a high safety rating.

List of Subcontractors and Suppliers

SAK Construction, LLC submitted their executed Contractor Utilization Plan/Request for Waiver and Letters of Intent to Subcontract to meet the MBE/WBE goals for this project. SAK Construction, LLC will submit their Subcontractors and Major Suppliers List once the Notice of Intent to Contract is issued.

Summary

It is recommended that the City move forward to contract with SAK Construction, LLC as the lowest, responsive, responsible bidder with a bid of **\$8,279,425.00**.

Approved: ^{DS}
 1/23/2025 Initial & Date
Karine Papikian, P.E.
Collection Systems Engineering Manager

Approved: ^{Signed by:}
 1/28/2025
Date: _____
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Andy Shively, P.E.
Deputy Director, Water Services Department

Approved: ^{Signed by:}
 1/30/2025
Date: _____
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Kenneth C. Morgan, P.E.
Director, Water Services Department

Attachments:
Dun and Bradstreet (D&B) Report

cc: Marzella Newman-Buckner, Procurement Officer
Contract #: EV3788

OPENING SUMMARY

**Project No. 81001032/EV3788 City Wide Sewer Main Rehabilitation -
Fiscal year 2026 Construction**

**1/14/2025
TIME 2:00PM**

TOTAL # OF ADDENDA - 2

| BIDDER | Adjustable Unit Prices | Total Base Bid Price |
|---------------------------------|-------------------------------|-----------------------------|
| SAK Construction LLC | \$8,279,425.00 | \$8,279,425.00 |
| Insituform Technologies USA LLC | | \$12,047,284.00 |
| | | |
| | | |
| Engineer's Estimate | | \$8,500,000.00 |
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