



# MEMORANDUM

**DATE:** April 27, 2026

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

**FROM:** Kyle Tonjes, P.E., Smart Sewer Project Manager

**SUBJECT: Bid Recommendation**  
**Sewer Improvements: 20th Street – Grand to McGee**  
**Project No. 81001071**  
**Contract No. 1817 Construction / 1818 CPS Services**

**Bids**

Bids for the above referenced Project were received and opened on March 31, 2027 with two responding. Bids were received from Mega KC Corporation and CM Concrete Inc. A summary of the Bid tab is provided below for reference.

Bidder	Base Bid	Allowance	Total Amount of Bid	48-Hour CREO KC Paperwork
Mega KC Corporation	\$1,214,778.00	\$100,000.00	\$1,314,778.00	Submitted
CM Concrete Inc.	\$981,106.00*	\$100,000.00	\$1,081,106.00**	Submitted
Engineer’s Opinion of Probable Construction Cost	\$1,649,566.00	\$100,000.00	\$1,749,566.00	-

\* Corrected sum from Section 00412 – Unit Prices

\*\* Corrected sum including Allowance from Section 00410 which was not included in bid submission from CM Concrete

**Bid Packet Review**

CM Concrete did not provide all Bid Packet documents with their bid submittal. Section 00410 - Bid Form/Contract was omitted from the bid submittal. The bidder, CM Concrete, only filled out the Section 00412 - Unit Prices form and did not transfer the total from 00412 into 00410, add the \$100,000.00 Allowance, and submit a Total Bid Amount as required. Section 00410 also contains the acknowledgement of Addenda and numerous contractual requirements which were not submitted and signed for. The bid did, however, include the signature page only of Section 00410, a copy of Addendum #1, as well as the required Bid Bond, Experience Summary, Summary of Equipment, etc.

Omitting Section 00410 with the written Total Amount Bid is an administrative irregularity. The City does however have the right based on the Project Manual to waive any bidding irregularities and award a contract based on the best interests of the City.

Note that throughout this bid recommendation memo, the Allowance amount of \$100,000.00 has been added to CM Concrete's bid submission amount as if they had filled out all of Section 00410 and fully completed the Bid Form.

### **Project Manager's Recommendation**

The Project Manager evaluated bid documents, qualifications, and financial information for the two Bidders. Both bidders are considered financially and technically capable of completing the project. Administrative irregularities occurred with the bid submission from CM Concrete as received at the date and time legally prescribed to receive bids.

Based on the evaluation, CM Concrete is recommended by the Project Manager as the apparent lowest, responsible, and responsive bidder. The bid omission did not provide the low bidder with a competitive advantage since the addition of the Allowance was a prescribed lump sum consistent for all bidders. The addendum was technically acknowledged by inclusion of a copy of Addendum #1 in the bid submission, and the Unit Prices form provided in Addendum #1 was utilized in the bid. The bid also included the Contractor's signature page from Section 00410. This recommendation is based on engineering judgement of the bidding conditions encountered and the documents submitted and is not based on legal review of local codes and statutes and public law.

### **Bid Price**

The Project Manager and OCP reviewed the Unit Prices Form submitted by the bidders. The lowest bid price submitted is approximately \$669,135.00 lower than the Engineer's Opinion of Probable Construction Cost and approximately \$233,672.00 less than the next lowest bid received.

### **MBE/WBE Participation**

CREO KC set the MBE/WBE goals for this project at 11% MBE and 11% WBE. CM Concrete Inc. submitted 11% MBE and 11% WBE based upon the Letters of Intent from the MBE and WBE Subcontractors. For the Contractor Utilization Plan, CM Concrete only submitted page 4 of 4, omitting the first three pages of the document. CREO is requesting revisions to CM Concrete's Contractor Utilization Plan documents. Revisions to CUP documents during the contract approval process are common, and are considered administrative in nature.

CM Concrete Inc. 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.

The Contractor Utilization Plan from Mega KC was complete with a participation of 11.1% MBE and 11% WBE. MegaKC also 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**

CM Concrete Inc. submitted the required Evidence of Competency and the Experience Reference Form/Summary for similar projects, which were completed within the last 5 years. Past project references for CM Concrete Inc. appear to be in good standing. The Project Manager discussed past performance with KC Public Works on several projects listed in the Experience Summary. The consensus was that CM Concrete was up to the task to perform the project.

MegaKC has an extensive experience and reference statement including many projects with KC Water and has a history of successful completion of these projects.

### **Financial Statements**

A review of the CM Concrete Inc. financial standing using the Dun and Bradstreet (D&B) ratings was performed by the Design Professional. The review indicated CM Concrete Inc. has a overall D&B rating of “DS” indicating undetermined, and an Overall Business Risk rating of “Moderate.”

The 24-month PAYDEX score is 80, which indicates that payments to suppliers were generally on time. The D&B Viability Rating summary shows a score of 33C 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, CM Concrete Inc. appears to be in sound financial standing and has similar risk and financial ratings compared to companies within the industry of similar size.

MegaKC’s Dun and Bradstreet report shows a 24-month PAYDEX score is 66, which indicates that payments to suppliers averaged 19 days beyond terms. The D&B Viability Rating summary shows a score of 13AA which indicates a moderate risk that the company will go out of business, become dormant/ inactive, or file for bankruptcy/insolvency within the next 12 months. Overall, MegaKC Corporation appears to have similar risk and financial ratings compared to companies within the industry of similar size.

### **Claims and Lawsuits**

CM Concrete Inc. and MegaKC provided statements that no litigation or arbitration involving their companies have occurred in the last five years.

### **OSHA Safety Record and Experience Modification Ratio**

CM Concrete Inc. has no OSHA violations that resulted in fines or OSHA Recordable Accidents within the last five years. CM Concrete submitted an Experience Modification Ratio (EMR) of 0.82, indicating a high safety rating.

MegaKC also submitted a 2025 EMR of 0.82 indicating a high safety rating.

### **List of Subcontractors and Suppliers**

CM Concrete Inc. and MegaKC submitted an acceptable List of Subcontractors to be utilized in this project.

**Summary**

It is recommended that the City move forward to contract with CM Concrete Inc. in the amount of **\$1,081,106.00**. This Project is in **FY27 budget** and is to be funded from Water Department funds, source 8110-807790-611060-81001071. A remaining sum from a past federal State and Tribal Assistance (STAG) grant from the Environmental Protection Agency is intended to be used to offset 55% of the construction costs up to a maximum federal share of \$528,796.83.

In addition to the Construction Contract with CM Concrete Inc., it is recommended that the City move forward to amend the contract with Olsson Engineers Inc. for Construction Phase Services to CN#1818 in the amount of **\$90,000.00** for a maximum authorization of \$90,000.00. This Project is in the FY27 budget and is to be funded from Water Department funds, source 8110-807790-611040-81001071.

Approved:  Signed by:  
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Andy Shively, P.E., Deputy Director  
Water Services Department

Approved:  Signed by:  
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Kenneth C. Morgan, P.E., Director  
Water Services Department

Attachments:

1. Bid Tab
2. CM Concrete Dun and Bradstreet (D&B) Report

cc: Contract File #1817  
Contract File #1818

**TABULATION OF BIDS RECEIVED AND OPENED ON  
TUESDAY, 3/31/2026 AT 2:00 PM**

**PROJECT/CONTRACT NO. 81001071/1817 – Sewer Improvements: 20<sup>th</sup> Street –  
Grand to McGee**

<b>Bidder</b>	<b>Base Bid as read at Bid Opening</b>	<b>Allowance</b>	<b>Total Bid</b>
Mega KC, Corporation	1,214,778.00	100,000.00	1,314,778.00
CM Concrete Inc.	883,111.00	100,000.00	983,111.00
Engineer's Estimate	1,649,566.00	100,000.00	1,749,566.00

**KC WATER**

**Bids opened and read by:**

Signed by:  
  
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**Leona Walton, Legislation & Project Controls Administrator**