SURVEYING - CONSTRUCTION SERVICES

February 12, 2024
Mr. Rik Kowall
Supervisor
Charter Township of White Lake
7525 Highland Road
White Lake, MI 48383

## RE: Elizabeth Lake Road Reconstruction

Dear Mr. Kowall

White Lake Township received bids on February 7, 2024, for the Elizabeth Lake Road Reconstruction for road improvements along a portion of Elizabeth Lake Road. Please find attached the tabulation of bids opened on February 7, 2024.

The project was advertised by the Township starting on January $4^{\text {th }}, 2024$ on bidnetdirect.com (formerly MITN). The advertisement resulted in ten bids being received on the project. The attached bid tab only focuses on the five lowest bidders for the purpose of comparison. For reference, the high bid received on the project was $\$ 3,977,494.62$. The as-read low bid was from a company named Anglin Civil, LLC with an as-read bid value of $\$ 3,045,251.00$. After review of the bidding documents there were multiple errors discovered in Anglin Civil's bid. A unit price of \$1 was entered in line for Contractor Mobilization; the bid amount entered for this item was $\$ 152,000$ which was clearly the bidders intent, however the contract documents are clear in that discrepancies need to be resolved in favor of unit prices. See below excerpt from the bid documents:
C. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

Correcting the errors per the contract documents resulted in the bid from Anglin Civil, LLC to be reduced to $\$ 2,936,822.93$. This information was presented to Anglin Civil, who apologized for the inconstancies in their bid and clarified their intended bid value was $\$ 3,088,821.93$ (see attached email). Anglin Civil also explained that accepting the project at the adjusted bid value would put the contractor into a negative value for profit and overhead on the project. The contract language provides the Township the ability to reject any and all bids which may be desirable in this case due to the errors encountered, see below for contract language regarding rejecting bids.

## ARTICLE 18-EVALUATION OF BIDS AND AWARD OF CONTRACT

18.01 Owner reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. Owner also reserves the right to waive all minor Bid informalities not involving price, time, or changes in the Work.

The next as-read low bid was received by Springline Excavating, LLC in the amount of $\$ 3,075,377.47$, this bid has been examined and found to be in order.

An engineers estimate of construction costs was put together on 9/20/2022 for this project and DLZ estimated the total construction cost would be $\$ 2,622,350$. All the bids received came in over this estimate, however because of the number of bids received DLZ believes the low bid is competitive to the current construction market pricing.

Springline Excavating, LLC provided 8 professional references for similar recent projects and DLZ reached out to each of them. From the references DLZ was able to speak with, the consensus among them was that Springline Excavating, LLC is a good Contractor who was able to complete the work in a timely manner and on-budget. The references also indicated the Contractor was able to adjust to changing project scope with minimal issues and were very knowledgeable about their work.

Springline Excavating also provided similar project references, including 3 Michigan Department of Transportation projects and 6 Local Agency or Road Commission for Oakland County projects that are similar in scope. Two of the above-mentioned professional references referred to a couple of the included project references and said the projects went very well.

DLZ understands this project is a priority for the Township and will help set the stage for additional upcoming projects the Township has planned. The errors encountered in the as-read bid by Anglin Civil, LLC make awarding the contract to this Contractor difficult. It would be less than ideal to start out a project with a contractor that believes they will lose money on a project. Due to the clerical errors and intended bid price the Township may wish to reject the as-read low bid and instead consider award to the next responsible bidder. Should the Township wish to move the project forward, DLZ recommends awarding a construction contract to Springline Excavating, LLC of Farmington Hills, Michigan in the amount of $\$ 3,075,377.47$. DLZ recommends the Township also consider approving an $8 \%$ contingency for the project to accommodate small changes to the project scope as they may arise during construction. The contract documents include provisions for a bid hold period of 60 days to accommodate Township Meetings and Approval procedures.

Please feel free to call me if you have any questions on this information.

Sincerely,


Michael Leuffgen, P.E.
Department Manager
CC: Sean O'Neil, Director, Community Development Department, White Lake Township

Attachments: Bid Tab
Email from Anglin Civil, LLC.


## Michael Leuffgen

| From: | Cody Blunt [c.blunt@anglincivil.com](mailto:c.blunt@anglincivil.com) |
| :--- | :--- |
| Sent: | Monday, February 12, 2024 9:46 AM |
| To: | Michael Leuffgen |
| Subject: | Elizabeth Lake Road Reconstruction - Anglin Civil |

EXTERNAL: Message origin is from an external network. Use proper judgment and caution when opening attachments, clicking links, or responding to this email.

Hello Michael,

After recalculation of our bid, our intent was to submit $\$ 3,088,821.93$. There was a clerical error on our bid form as well as a formula error in our bid sheet.
To accept the project at $\$ 2,936,822.93$ would put Anglin Civil into a negative value for profit and overhead. We feel that starting a project in a deficit would
ultimately cause the project to struggle though construction. We would like to respectfully add the intended $\$ 151,999.00$ to recalculate our total to $\$ 3,088,821.93$.
We realize that this would intern make Anglin Civil $3^{\text {rd }}$ place overall in the bit tabulation. We would like to sincerely apologize for the inconvenience we have caused to the Township of White Lake as well as DLZ. Please reach out with any questions or concerns this email may have created.

Thank you,

## Cody Blunt

Project Estimator
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C: (989)621-2175 O: (734)464-2600
W: www.AnglinCivil.com

