

### RE: <u>LETTER OF RECOMMENDATION</u>

Partial Roofing at Three Bridges, Whitehouse, and Readington Middle Schools Comm. No. 13-8128 / 13/8129

April 30, 2014 (sent via e-mail)

Ms. Steffi-Jo DeCasas, Business Administrator Readington Township Board of Education 52 Readington Road Whitehouse Station, New Jersey 08889

Dear Ms. DeCasas:

As you are aware, sealed competitive bids were received on April 15, 2014, for the above referenced project. A total of **six** (6) contractors submitted bids for the project; a copy of the bid tabulation sheet is attached.

# **Review of Scope and Bidding Structure**

The scope of work associated with this bid encompasses partial roofing replacement at Three Bridges (TBS), Whitehouse (WHS), and Readington Middle (RMS) Schools. Though the RMS work was being undertaken entirely through the District's annual budget, the TBS and WHS work is being advanced with the assistance of a Schools Development Authority Regular Operating District (ROD) grant. The TBS grant was based on a \$625,000 project, of which \$517,000 was allocated towards hard construction costs; the WHS grant was based on a \$520,000 project, of which \$429,000 was allocated towards hard construction costs.

The full scope of this work was actually split into three bids: one bid for the overall work at both TBS and WHS; one bid for the work only at TBS; and one bid for the work only at WHS. This allowed for flexibility in making a project award, in the case that the sum of two different bidders' prices for the individual schools' projects were less than the aggregate overall bid. Additionally, an alternate bid was solicited for the work at RMS. Ultimately it is the intent of the District to award the full scope (work at all three schools) should funds permit.

#### **Review of Bids Received**

At the time of receipt of bids, the apparent low bid was submitted by *Arch Concept Construction*, of Haledon, NJ, in the overall amount of \$997,000 (overall Base Bid OV-1 plus Alternate Bid 1). After reviewing their bid package, it was determined that their electrical subcontractor, Apollo Mac, did not carry current New Jersey Department of the Treasury, Division of Property Management and Construction (DPMC) or New Jersey Schools Development Authority (SDA) classifications / prequalifications. The bidder, along with all named subcontractors, including the electrical subcontractor, must carry these certifications / qualifications, as a requirement of both N.J.S.A. 18A, as well as the ROD grant agreement. We understand that the Board's legal counsel has advised that this issue represents a material, non-waivable defect, and that the bid submitted by Arch Concept Construction must therefore be determined to be not responsive and therefore not considered for award.

The next low bid was submitted by *North East Roof Management, Inc.*, of Perth Amboy, NJ, in the overall amount of \$1,003,000 (overall Base Bid OV-1 plus Alternate Bid 1). The only apparent discrepancy in this

bid is the lack of an Uncompleted Contracts Affidavit (UCA) by their plumbing / HVAC / electrical subcontractor, Hanna's Mechanical Contractors, Inc. However, this subcontractor was also named as the subcontractor for another bidder, and the Uncompleted Contracts Affidavit was included within that bid. We understand that the Board's legal counsel has advised that, since this subcontractor's UCA was in possession by the Board at the time of receipt of bids, the Board therefore had all required documentation in hand to be able to determine this bidders' ability to perform the work.

## **Review of Budget**

The Three Bridges portion of this project is in excess of what was budgeted; however, the Whitehouse portion is well within the budget. A comparison of bid results to the approved ROD budgets (including the Readington Middle School window replacement project, which was recently awarded) is below. Please note the following:

- 1. We are carrying a 10% construction contingency <u>outside</u> of the bid award.
- 2. Orange cells are estimates only.
- 3. Amounts remaining (under budget) are taken at 60% of projected costs, to equalize the local share amounts. Amounts remaining (over budget) are taken at 100% of projected costs.
- 4. RMS work is not accounted for in this table, which instead focuses on the ROD grant allocations.

	RMS	Three Bridges	Whitehouse		
	11110	Thice Bhages	VVIIICOTICACO		
DESCRIPTION OF WORK	Windows	Roofing	Roofing		
Contractor	Panoramic	NorthEast	NorthEast	1	
Comm. No.	8127	8128	8129	TOTAL	
Total Original Prime Contracts	\$249,000	\$575,000	\$333,000		
Asbestos Abatement	\$0	\$0	\$0		
Other Contracts	\$0	\$0	\$0		
Other Contracts	\$0	\$0	\$0		
Net Change by Change Orders	\$0	\$0	\$0		
Pending Change Orders	\$0	\$0	\$0		
Total Construction Costs	\$249,000	\$575,000	\$333,000	\$1,157,000	
Contingency @ 10% of awarded amount	\$24,900	\$57,500	\$33,300	\$115,700	
A/E Fees	\$23,500	\$41,000	\$34,000	, , , , , ,	
Reimbursables (Estimate)	\$2,500	\$2,000	\$2,000		
Other Contracts	\$0	\$0	\$0		
Legal Fees (Estimate)	\$500	\$500	\$500		
Misc. Fees @ 2%	\$4,980	\$11,500	\$6,660		
Total Project Costs	\$305,380	\$687,500	\$409,460	\$1,402,340	
Total ROD 4 Approved Project Costs	\$375,000	\$625,000	\$520,000	\$1,520,000	
Under Budget / (Over Budget)	\$69,620	(\$62,500)	\$110,540	\$117,660	
Amt. Remaining (60% of project cost)	\$41,772	(\$62,500)	\$66,324	\$45,596	
Unspent Contingencies (60%)	\$14,940	\$34,500	\$19,980	\$69,420	
Total Amount Remaining	\$56,712	(\$28,000)	\$86,304	\$115,016	
Total Allowances within contract	\$10,000	\$10,000	\$10,000		
Net Allowance Adjustments / Change Orders	\$0	\$0	\$0		
Pending Allowance Adjustments / Change Orders	\$0	\$0	\$0		
Total Allowance amounts remaining	\$10,000	\$10,000	\$10,000	\$30,000	

Based on this review, it appears as though there are sufficient funds with which to undertake the project based on the low bid price. Assuming all contingencies are expended, and that all estimated miscellaneous fees are spent, the Board will have \$45,596 remaining at the conclusion of these three projects.

### Recommendation

Based on this information, and expected concurrence from the Board's legal counsel and availability of funds, our firm makes the following recommendation:

AWARD CONTRACT TO: North East Roof Management, Inc.

**649 Catherine Street Perth Amboy, NJ 08861**Tel: (732) 442-2020

Fax: (732) 442-8099

Base Bid OV-1 Roofing at TBS and WHS \$ 908,000 Alt. Bid 1 Roofing at RMS \$ 95,000 TOTAL RECOMMENDED AWARD \$ 1,003,000

Prior to the award of any work, SSP Architectural Group recommends that the Board have its own legal counsel review the bid proposal and related documentation for compliance with any legal requirements.

As always, should you have any questions or need any additional information, please do not hesitate to call.

Very truly yours,

# SSP ARCHITECTURAL GROUP

Scot E. Mihalick, AIA, LEED AP

Enclosure

c: RTBOE:Dr. Barbara Sargent, Gaye Villa, Don Thornton

SSP: Craig Slater, Anthony Masucci, Jan Fay, Iris Hernandez

# BID TABULATION SSP ARCHITECTURAL GROUP

1011 Route 22, Suite 203 Bridgewater, New Jersey 08807 908-725-7800 908-725-7957

**PROJECT:** Readington Board of Education

Roof Replacement at Three Bridges, Whitehouse, and Readington Middle Schools

<u>DATE:</u> April 15, 2014 <u>TIME:</u> 10:00 am <u>COMM. NO.</u> 13-8128/8129

BIDDERS	Base Bid TBS-1		Base Bid WHS-1		Base Bid OV-1		Alternate Bid 1		Total	
	Three Bridges School Only		Whitehouse School Only		Three Bridges and Whitehouse Schools		Readington Middle School		Base Bid OV-1 + Alternate Bid 1	
Arch Concept Construction 351 West Clinton Street Haledon, NJ 07508	\$	598,000	\$	339,000	\$	917,000	\$	80,000	\$	997,000
The Barrett Company 33 Stonehouse Road Millington, NJ 07946	\$	621,900	\$	347,400	\$	953,000	\$	83,000	\$	1,036,000
<b>D.A. Nolt, Inc.</b> 53 Cross Keys Road Berlin, N.J. 08009	\$	798,421	\$	439,829	\$	1,238,250	\$	114,503	\$	1,352,753
Jottan Inc PO Box 166 Florence, NJ 08518		No Bid		No Bid		No Bid			\$	-
NorthEast Roof Management Inc. 649 Catherine Street Perth Amboy, NJ 08861	\$	580,000	\$	333,000	\$	908,000	\$	95,000	\$	1,003,000
Pravco Inc. 245 Wescott DR Rahway, NJ 07065	\$	604,000	\$	341,514	\$	941,514	\$	83,700	\$	1,025,214
Roof Management, Inc. PO Box 933 Neptune, NJ 07754		No Bid		No Bid		No Bid			\$	-
USA General Contractors Corp 980 Dehart Place Elizabeth, NJ 07202	\$	714,000	\$	380,000	\$	1,034,000	\$	101,000	\$	1,135,000
Strober-Wright Roofing, Inc. 1483 Route 79 Lambertville, NJ 08530		No Bid		No Bid		No Bid			\$	-