

September 29, 2020

Mrs. Fabiola de Carvalho
Project Manager
City of Sugar Land
2700 Town Center Blvd. North
Sugar Land, Texas 77479

Re: Flood Control Improvements – Dam III Oyster Creek at Lexington
City of Sugar Land
Capital Improvement Project No. CDR 2103/FNI Project No. SUG17261

Dear Mrs. De Carvalho:

On September 17, 2020, the City of Sugar Land received seven (7) bids for the above project. Each bid was verified to ensure that no mathematical errors or bid irregularities existed. If an error was discovered, the contractor's unit price was multiplied by the pre-determined material quantities, and the summation of those costs were taken as the controlling cost. The project was bid with Base Bid, Cash Allowance, and Contingency Bid items. The Contingency Bid items are considered supplemental and are items whose required quantities had a level of uncertainty in their estimation. A buffer was added in the event that more material than originally estimated was required during construction. Complete Concrete was the apparently low bidder out of the seven (7) bidders, however, FNI considers the bid to be unbalanced. Therefore, NBG Constructors, Inc. is the lowest responsible bidder. The bids for the project are as follows.

Rank	Contractor	Base Bid Cost	Contingency Bid Cost	Total Project Cost
1	Complete Concrete	\$ 296,867.50*	\$ 82,175.00*	\$379,042.50
2	NBG Constructors, Inc.	\$ 473,535.00	\$ 103,300.00	\$576,835.00
3	Dalrymple Gravel and Contracting	\$ 477,025.00	\$ 103,750.00	\$580,775.00
4	Shirley and Sons	\$ 487,665.00	\$ 129,450.00	\$617,115.00
5	Environmental Allies, Inc.	\$ 606,997.00	\$ 102,950.00	\$709,947.00
6	Gael, Inc.	\$ 630,245.00*	\$ 92,050.00	\$722,295.00
7	WadeCon, LLC	\$ 682,250.00*	\$ 127,250.00	\$809,500.00*

* Complete Concrete and Gael, Inc. both had discrepancies in the summation of the items within the Base Bid and Contingency Bid, although the total calculated project cost was equal to the contractor's total. WadeCon, LLC's bid was determined to have an error in the total project cost summation, and using the aforementioned method, the bid for WadeCon, LLC. increased from \$775,500.00 to \$809,500.00.

Complete Concrete provided the lowest bid by approximately 66% of the next lowest bidder, NBG Constructors, Inc. This raised concerns for the possibility of incorrect project deliverable assumptions, or an inadequate interpretation regarding the demands of the project. FNI notes that several of Complete Concrete's lump sum and unit bid costs appeared abnormally low. Based on this, FNI deemed Complete Concrete's submittal as an unbalanced bid, since it is unusually low in relationship to the City's estimate for the project. It is in FNI's opinion that the bid contains lump sum and unit bid items that do not reflect Complete Concrete's reasonable actual costs plus a reasonable proportionate share of the anticipated profit, overhead costs, and other indirect costs.

Each bidder was required to submit no less than three (3) projects in the past five (5) years which were both similar in size and scope to the project being bid on. A written project description, a reference, and a completed construction cost were required.

FNI attempted to reach approximately sixteen (16) individuals via e-mail and phone that were listed as references for Complete Concrete. FNI attempted to call these individuals on September 23, 2020, and again on September 24, 2020. On both occasions, a detailed voice message was recorded with call-back information. FNI was only able to obtain feedback from five (5) of these individuals as of September 28, 2020. It should be noted that only some of the references had phone numbers listed, and of those that did, several were not a direct number to the owner or engineer, but to the front desk of the firm. In addition, no dates were listed for the listed projects. Without this information, FNI was not able to verify which projects were completed within the last five (5) years. In a phone call with one reference, the individual stated that he had not worked with Complete Concrete in approximately seven (7) years, outside the five (5) year requirement. The same individual also described the process of working with Complete Concrete as “painful.” FNI also notes that many of the projects listed on Complete Concrete’s documentation were smaller in size and scope than the project being bid on, which furthers the concern of whether the contractor has completed enough relevant projects within the last five (5) years. Of those who were spoken with, the projects in reference were either drainage improvements, light civil work, or sedimentation removal projects. FNI was unable to speak directly with a reference in which Complete Concrete performed heavy civil infrastructure activities, as required by the Dam III project. This information suggested that Complete Concrete’s bid did not meet the submittal requirements, and therefore was not a responsible bid. Without reliable information regarding similar construction projects, FNI believes that construction issues could arise if the City of Sugar Land were to contract Complete Concrete.

Additionally, Complete Concrete has performed work for the City of Sugar Land on previous projects. Based on discussions with City staff, FNI understands that the City has historically experienced issues with the quality of work and capabilities of Complete Concrete.

Considering the concerns raised by Complete Concrete’s unbalanced bid, the inability to obtain sufficient information on their relevant work experience over the last five (5) years, and their prior work experience with the City of Sugar Land, FNI elected to move forward with the next lowest bidder, NBG Constructors, Inc.

NBG Constructors, Inc. submitted the required reference information including dates and phone numbers, with relevant projects highlight for clarity. All of the five (5) references that were called for NBG Constructors, Inc. picked up the phone on the first attempt. Of those five (5), three (3) were immediately available to discuss their experience in working with the contractor. The feedback was positive and each reference said they would work with NBG Constructors, Inc again in the future.

Both FNI and the City of Sugar Land staff have also had positive experiences in working with NBG Constructors, Inc. on previous projects. FNI has no concerns with their ability to perform the work. In July of 2019, NBG Constructors, Inc. completed the Brooks Lake Diversion Amil Gates Replacement project for The City of Sugar Land. This project was a heavy civil infrastructure project that involved similar capabilities required for work on the Dam III project.

A review of the bids received indicates that NBG Constructors, Inc. provides the best value to the City of Sugar Land. After reviewing the Contractor’s submittal and verifying their references, FNI believes NBG

Constructors, Inc. meets the qualification requirements specified in the Contract and should be capable of performing the specified work satisfactorily. For these reasons, FNI recommends that the City of Sugar Land award the Flood Control Improvements – Dam III Oyster Creek at Lexington for the total project bid of Five Hundred Seventy-Six Thousand, Eight Hundred Thirty-Five Dollars and Zero Cents (\$576,835.00) to NBG Constructors, Inc.

Sincerely,

Freese and Nichols, Inc.

A handwritten signature in black ink that reads "Andrew Balingit". The signature is written in a cursive, slightly slanted style.

Andrew Balingit, P.E.
Project Manager

[SUG17261] T:\3.0 DESIGN\3.06 Bid Phase\Dam III - Flood Control Improvements Letter of Recommendation