

June 4, 2020

RE: Town of Munster  
Roadway and Water Main  
Improvements – Harrison, Margo,  
Hohman  
SEH No. MUNST 154239

Mr. Dustin Anderson, Town Manager  
Town of Munster  
1005 Ridge Road  
Munster, IN 46321

Dear Mr. Anderson:

On Wednesday, June 3, 2020, bids were received and read aloud for the Roadway and Water Main Improvements project. The project includes installation of new water main on Harrison Avenue as well as complete pavement reconstruction on Harrison Avenue and portions of Margo Lane. Hohman Avenue between Evergreen and Terrace will be resurfaced. The project was publically bid pursuant to state and local bidding regulations. The project is being funded through the Community Crossings Matching Grant (CCMG) program with up to \$554,107 in matching funds from INDOT.

Two bids were received for the project: \$1,158,131.40 from Walsh & Kelly, Inc. and \$1,161,644.90 from Rieth Riley Construction Co., Inc. The bid from Walsh & Kelly failed to acknowledge receipt of Addendum No. 1 which included an additional bid item. Failure to acknowledge an addendum results in the bidder being deemed non-responsive. Rieth-Riley did acknowledge receipt of Addendum No. 1 on their bid form. Rieth-Riley is the lowest responsible, responsive bidder.

The bids were reviewed and tabulated by SEH on the attached Bid Tabulation. The Engineer's estimate is \$1,389,111.00.

The project also included an alternate item for using PVC water main in place of ductile iron pipe. The vast majority of Munster's water system is ductile iron, however, Public Works was interested in determining the potential cost savings of using the PVC material. Based on the bids, the price decrease associated with PVC pipe is \$17,760. Public Works staff do not feel the savings to be substantial enough to justify the switch.

As a part of their bid, bidders represent that they visited the site; reviewed all bidding documents; have given the Engineer or Owner written notice of any conflicts, errors, ambiguities, or discrepancies that bidder found in the Bidding Documents; are able to complete the work in the timeframe provided; and that the bid documents were sufficient to convey the requirements of the project.

Our recommendation is to award the project to the lowest responsive bidder, Rieth-Riley Construction Co., Inc at their base bid price of \$1,161,644.90. In our opinion Rieth-Riley is fully capable of performing the required work for this project. Please note that this recommendation is subject to the review and opinion of the town attorney.

Other items the Council should consider in review of the bids:

- Language included in in Document 00 21 13 – Instructions to Bidders, Article 19.02: *If Owner awards the Contract for the Work, such award shall be to the responsible Bidder submitting the lowest responsive Bid. Owner may also reject the Bid of any bidder if Owner believes that it would not be in the best interest of the Project to make an award to that Bidder.*
- The water main portion of the project is \$253,830.00. This work is not eligible for payment with CCMG funds.
- The eligible CCMG items total \$907,814.90. CCMG funds will pay for half of these costs: \$453,907.45.
- The Town's total cost is equal to half of the CCMG eligible items and all of the water main: \$707,737.45

We hope this analysis of the bids is adequate for your needs. Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

SEH OF INDIANA, LLC



Jill E. DiTommaso, PE  
Graduate Engineer

Attachment

cc: Town Council Members  
Stephen Gunty, Director of Public Works  
David Westland, Town Attorney