

Purchasing Department 300 W Walker League City, TX 77573

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> www.leaguecity.com

# **MEMORANDUM**

To:

John Baumgartner, City Manager

From:

Alfred C. Turner, Purchasing Manager

CC:

Jacques Gilbert, Project Manager Tommy Cones, Fire Marshall Gary Warren, Fire Chief

Gwynetheia Pope, Contract Administrator Michelle Villarreal, Deputy City Attorney

Date:

9/14/2018

Re:

Issue to Bids No. 18-046

Fire Station No. 6 Construction

Proposal Evaluation and Award Recommendation

Enclosed for your review and approval is the award recommendation for Bid No. 18-046 Fire Station 6 Construction.

Proposals received pursuant to solicitation 18-046 Fire Station 6 Construction have been reviewed and after a thorough evaluation by the Evaluation Team it was recommended an award be made to *Gamma Construction*. While other Respondents also offered good overall proposals, Gamma Construction scoring ranked number 1 overall for the best value evaluation criteria set forth in the solicitation. **Gamma Construction** based on their proposal and experience offers the best value in support of this very important project.

#### **HISTORY**

On July 30, 2018 Invitation for Bid No. 18-046 was released to the public. The objective of the solicitation was to contract with a qualified and experienced firm to perform construction of League City Fire Station No. 6. To meet the Fire Department and Project Management Department's objectives, the solicitation was issued with an evaluation criteria of "Best Value".



The evaluation criteria addressed by the requirements of the bidder notification and question & answer period respondents were being evaluated by (1) Qualifications and Experience; (2) Project Design, Methodology & Schedule; (3) Price; (4) Past Performance, Finances and References. The following language was inserted: "The City of League City reserves the right to accept or reject all or any part of any bid, waive, minor technicalities and award the bid to best serve the interest of the City of League City". The Proposals were received on August 21, 2018. The responsive firms are as follows:

- Bass Construction
- Comex Corporation
- Construction LTD
- Construction Masters of Houston
- Division One Construction
- Durotech
- Gamma Construction
- Teal Construction Company
- Triad Retain Construction

The Proposals were evaluated by a cross departmental team which included the following as part of the evaluation committee:

- 1. Tommy Cones (Fire Marshall)
- 2. Gary Warren (Fire Chief)
- 3. Jacques Gilbert (Project Manager)
- 4. Kevin Kasten (District Chief/Quartermaster)
- 5. Carolina Weitzman (Naxtex Architects)

Additionally, the Purchasing Department evaluated each Proposal for responsiveness/compliance and cost.

## PROPOSAL EVALUATION PROCESS

All Proposals were first examined to determine whether or not they met all requirements of the bid. A point system was then used to evaluate the Proposals by taking the points assigned to a category and scored with the assigned point range of 0-5 as follows:

- 5 = Exceptional, exceeds and fully meets all requirements
- 4 = Advantageous, exceeds some requirements
- 3 = Meets minimal requirements



2 = Addresses most of minimal requirements

1 = Addresses part of minimal requirements

0 = Unacceptable

nts
nts
nts
nts
n

Total 100 Points

The final evaluation scoring was based on consensus and calculation was average across all categories from five (5) evaluators to arrive at total final consensus score. Summary and scoring matrix are enclosed for consideration. Each category is described as the following:

- **1.** *Qualifications and Experience:* This category dealt with prior experience, available of manpower, equipment resources, projects similar in type, sig and complexity, breadth of working with municipalities and current & completed projects within the last 3 years.
- 2. Project Design, Methodology and Schedule. This category dealt with the ability of firm to meet requirements of the scope and realistic and reasonableness to execute requirements. Offerors needed to provide a customer communication approach and detail of quality of delivery of products and services. In addition, offerors needed to provide detail schedule to include outline of project, risks and mitigation process and overall Technical/Project Management Approach.
- 3. Price. This category dealt with overall cost for projects, deliverables and services to be provided are reasonable and responsive both for Base Price and Alternates. 10 out of the 20 points was used for price proportional method to baseline fair and reasonableness of offers. The following formula method was calculated for each proposal: (Lowest Submitted Price (All Offerors)/ (Offeror Submitted Price) X 10 (Available Points) = Offeror Price Points.
- 4. Past Performance, Finances and References. This category dealt with history of offerors' viability, stability and financial risk assessment and background history. Evaluation Committee scored based on compliance and receipt of past performance references request. The Purchasing Department as part of its due diligence and risk assessment based on financials and credit references received from offerors' proposal. Analysis were completed using financial ratios safe guards of Debt, Liquidity, Ability to pay liabilities and Management of Assets based on industry norms. Altman Z-Score model was used as part of this analysis.



#### SUBMITTED PROPOSALS

List below is a synopsis of each responsive Proposal Submitted. The Evaluation Summary to include Evaluation Matrix and Pricing Analysis is enclosed as part of this memorandum.

#### Gamma Construction

The highest rated response: excelling in the following areas:

- Excellent Base Price (within budget)
- Excellent Past Experience in working with Municipalities, completed construction of City of Tomball Fire Station, Cypress Creek EMS Facility, Woodland Fire Station and Training Academy
- Current Project include Eastex Fire Station No. 16 and No. 36 (Humble Texas)
- Excel in Methodology, Schedule and Overall Project Management
- Not the lowest bid but next lowest bid.
- Included closeout warranty and methodology

#### **Teal Construction**

The second highest rated response: excelling in the following areas:

- Base Price is within budget
- Excellent Qualification but concerns over current projects in progress: (City of Houston Fire Station 44 PreCon (\$7.5M), Harris County Fire Station 44 PreCon (\$7.1M), City of Cedar Park Fire Station No. 5 (80% complete) and City of San Marcos Fire Station No. 4 (\$4.3M)
- Strong Past Performance on Construction of Fire Stations with Strong Personnel Team
- Excel in Methodology, Schedule and Overall Project Management
- Strong Safety Record



#### **Bass Construction**

The third highest rated response: excelling in the following areas:

- Base Price is within budget
- Excellent Past Experience in working with Municipalities, current projects:
   Katy Fire Station No. 2 (\$3.6M), Fort Bend County EMS Squad (\$245K).
   Completed Projects Little York Fire Station No. 82 (Completed January 2018 \$3.1M), Montgomery County Fire Station No. 188 & 189 (September 2016 \$2.8M)
- Strong Past Performance on Construction of Fire Stations with Strong Personnel Team.
- Excel in Methodology, Schedule and Overall Project Management
- Strong Safety Record

#### **Division One Construction**

The fourth rated response: excelling in the following areas:

- Base Price is within budget
- Excel in Methodology, Schedule and Overall Project Management
- Very light on experience on Fire Station Construction within the last 5 years. Completed Santa Fee Fire and Rescue Construction (March 2013 \$3.5M)
- Strong Schedule and Project Management Experience

#### **Durotech**

The fifth rated response: excelling in the following areas:

Strong Past Performance on Construction of Fire Stations with Strong Personnel Team. Current Project: Little York Fire Station 81 (\$4M), South Lake Houston – New EMS and Administration Facility (\$5.2M); Completed Projects: Channelview Fire Station #3 (\$5.8M), Friendswood Fire Station #4 (\$6.1M); Montgomery County ESD No. 8 (\$8M)

# Construction LTD

The Sixth rated response: excelling in the following areas:

- Base Price is within budget
- Built and completed La Marque Fire Station (August 2018 \$5.2M) and Current Project: Galveston Fire Station No. 1 (\$9.6M)
- Project Management Experience



### **Construction Masters of Houston**

The Seventh rated response: excelling in the following areas:

- Strong Schedule and Project Management Experience
- Experience with other projects with League City (Booster Pump Station)

#### **Comex Corporation**

The Eighth rated response: excelling in the following areas:

- Base Price is within budget
- Good Safety Program

#### Triad Retain Construction

The Ninth rated response: excelling in the following areas:

- Base Price lowest of all bids
- Built Pearland Fire Station No. 2 & 3 (\$6.8M)
- Disclosed on several litigation suits against subcontractors.
- Retail Construction concentration

#### **RECOMMENDATION**

The Evaluation Committee recommends awarding the contract to Gamma Construction for the Base Proposal amount of \$4,278,000. The enclosed supporting documents support the Purchasing Department authorizing award to Gamma Constructions as the highest ranking, competitive price, and low financial risk offeror as the Best Value Offeror to the City.