

MARCH 2, 2022
JAMES R. EINWAECHTER, P.E.
PUBLIC WORKS DEPARTMENT
CITY OF SAN LUIS

RE: SAN LUIS FLEET MAINTENANCE BUILDING EXPANSION – BID REVIEW AND RECOMMENDATION

Mr. Einwaechter:

The public bid opening for the City of San Luis Fleet Maintenance Building Expansion was held February 17, 2022 at 2:00 p.m. at City Hall. Three bids were received from the following bidders:

Merrill Development Inc.
Pilkington Construction Co.
Yuma Valley Contractors Inc.

A bid tabulation is attached to this letter.

The bid received from Merrill Development was the lowest bid. I have conducted a review of the submitted bid documentation requested in the bid advertisement. The contractor acknowledges receipt of all addenda issued and bid alternate items.

After review of the Merrill Development bid documents I find the bid responsive and complete. I recommend the Owner proceed to award the construction contract in the amount of:

\$ 2,638,718.00 (includes all alternate bid items)

Although the resulting bids are higher than expected this is indicative of the surging and volatile construction market we are currently experiencing. In some construction trade sectors the construction material markets have surged over 270% in the past 12 months. Labor costs have increased over 70% in some sectors. Without knowledge of forecasted conditions, it is difficult to predict when construction costs will decrease or if costs will continue to increase for the foreseeable future.

Please let me know any questions.

Sincerely,



Christopher Thompson
Principal Architect

Bid Tabulation

Contractor Name	Base Bid	Alt #1	Alt #2	Alt #3	Total Bid Amount
Merrill	\$ 2,423,000.00	\$ 150,849.00	\$ 64,180.00	\$ 689.00	\$ 2,638,718.00
PCC	\$ 2,694,744.00	\$ 209,710.00	\$ 81,336.00	\$ 918.00	\$ 2,986,708.00
YVC	\$ 2,821,191.53	\$ 76,720.00	\$ 60,480.00	\$ 33,092.64	\$ 2,991,484.17