July 15, 2024

Mr. Bart Starkey
Airport Manager
Joplin Regional Airport
602 S. Main Street
Joplin, MO 64801

Re : *Joplin Regional Airport*
Rehabilitate Runway 13-31
and Additive alternates
AIP Project Number: 3-29-0037-057
CMT Project Number: 22004966-00

Bid Evaluation/Recommendation to Award

As requested, the single bid package of Emery Sapp & Sons, Inc. (ESS), has been evaluated for completion, and the bid schedule analyzed in comparison with the Engineer's Opinion of Cost for the current project, as well as bid tabulations from previously completed/bid projects. The review is completed to determine whether the accepted bid is fair and reasonable and qualifies for award recommendation.

Bid Package

The full bid package was reviewed for correctness and completion. The 4% DBE requirement was exceeded at 6.91% - all DBE's are listed in the MRCC directory. ESS is on the approved MoDOT Prime Contractor list and is shown as "in good standing" with the Missouri Secretary of State. ESS is active in the System for Award Management (SAM.gov). Bidder qualifications, required within the first three business days following the bid, were included and acceptable. Proper E-Verify documentation was included in the bid package.

Bid Tabulation/Comparison

When evaluated in its entirety, the submitted single bid runs higher that the Engineer's Opinion of Probable costs for the Base Bid, when including the Addendum Nos. 1 & 2 .

	Engineer's OPC	Emery Sapp As-Bid	Overage
Base Bid	$10,449,930.13	$11,394,131.54	9.04%

The Engineer's Opinion is an average cost utilizing industry cost standards, individual item material and labor breakdowns, and past bid abstracts, with adjustments made for local conditions as well as potential inefficiencies from quantity or work limitations. The volatility of the current bidding market (supply chain shortages, labor shortages, rising material and fuel costs), plus the influx of multiple transportation funding sources – leading to countless project options for all contractors, have led to increased difficulty in estimating project costs, particularly in a single bidder environment. It is difficult for the Engineer to closely approximate the cost of each and every line item bid submitted by contractors, as costs are routinely shifted between line items as the contractor sees fit, especially as mobilization caps are imposed.

Regardless, each line item was compared to the Engineer's Opinion of Cost for both percentage of difference in unit cost and total line item cost differential. As would be expected, small quantity items with high unit price differential do not contribute significantly to the overall bid difference at the same scale that a large quantity item would. For the purposes of this evaluation summary, we have focused on line items that exhibit sizable differences (>$100,000) in overall line item cost.

+ The C-100 Quality Control Pay Item pay item was estimated by CMT at a total of $75,000. The ESS item was bid at $371,155.00, a $296,155 difference (395%). The CQCP item has been difficult to estimate since initiated in 2012, as pricing varies wildly between contractors, even on the same project. The ESS line item cost for CQCP is close to 3.2% of their overall bid. This is similar to other CQCP percentages that have been bid at other airports such as Lee C Fine and Cape Girardeau. In phone conversations, ESS explained that the 10% cap on mobilization typically leads to the bump of the CQCP lump sum item, increasing those costs above what would be anticipated for a typical QC program for a project.

+ The C-105 Mobilization pay item was estimated by CMT at close to 10% of the base bid value in the Engineer's Opinion of Probable Cost. The item is capped at 10% of the overall project cost within the C-105 specification and Section 20 of the Project Manual. The ESS cost is in line with the 10% cap, but because their overall project costs are much higher than the OPC and they included the additive alternates, this causes a mobilization overage. ESS's line item cost exceeds the estimate by $261,350 (32% more than the estimated $816,435). Mobilization is traditionally a difficult item to estimate from an Engineer's perspective, and the differences in unit price from contractor to contractor (and project to project) can vary widely.

+ The P-101-6.3 Crack Repair overage of $232,500 is only 15% higher than the OPC and the amount is mainly due to the item having a large quantity. The cost difference of this item is attributed to the cost of the next item to be discussed the asphalt.

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+ The P-401-8.1 Asphalt Surface Coarse pay item contains a fair bulk of the project cost, with its relatively large quantity (project-speaking) and unit cost, in both the project estimate and ESS bid. Even a small discrepancy in unit cost can multiply out to a very large line item overage. In this case, the OPC was $129/Ton while ESS bid of $150/Ton led to overall line item overage of $340,683 (16%). It was a hope that with straight line runway paving that the asphalt price may be lower than what we have seen lately but with ever fluctuating oil prices and this project not expected to be constructed until next year the asphalt price that was received was very similar to other projects bid around the state. Lee C Fine received an asphalt price of $162/ton and 248/ton while Higginsville received asphalt bids at $168.49/Ton and $192/Ton. Based on these bids from other airports it appears there was a slight discounted rate for the asphalt paving on the runway just not as much as what was anticipated.

While the ESS was higher on a few select items they tended to be the large items with these four pay items accounting for $1,130,688.13 worth of overage. The total difference between the bids (including items that were less than the OPC) was $944,201.41, so some items were less than the OPC.

Bid Competition

The project advertisement was sent to prime contractors currently on MoDOT's approved prime directory, then also directly to contractors who'd expressed specific interest in the Airport's projects. Asphalt tends to be a very regional construction item in Missouri with only one or two contractors in an area that will construct or bid airport asphalt projects. Several previously-interested contractors, plan holders and other local contractors with history at the Airport were contacted in an attempt to document potential reasons for the lack of final interest and bids.

- Capital Paving & Construction (Ozark, MO) obtained a set of bidding documents but determined that their schedule just did not work with the proposed project. They had too much work on the books and could not find a way to fit this project in their schedule.
- Ambrozi Contracting (St. Joseph, MO) obtained a set of bidding documents and is trying to get a larger airport project like this but they decided not to bid this job to focus on other potential jobs and bids.

Bid Negotiation

Because of the large discrepancy in some of the individual line items described above, as well as the overall cost of the project, a negotiation was undertaken with ESS to not only look for potential cost savings within those items, but within the project as a whole. ESS reviewed potential areas of costs savings, which were put forth in a 7/2/2024 proposal. $107,020.00k in potential credits were included.

- P-152-4.1 Embankment in Place-Offsite – ESS and their sub agreed to lower the price by $5.02/Cy for a potential cost savings of $5,020.00 if the entire quantity is used

- P-401 Asphalt Surface Course - A $102,000 credit was offered to allow them to use a notch wedge system to form their longitudinal asphalt joints. Due to the FAA specification requirements on the formation of joints this proposal could not be accepted. (DENIED)

Summary

Comparing individual items may reveal sizable differences per line. However, when the overall project bid is viewed as a whole, we feel that the single bid provided is in line with anticipated cost for completing this work especially when compared to the current bidding environment. The benefits to the Airport of completing the project next spring in the current funding climate would likely outweigh any potential benefits that may be gained by a re-bid of the project for later 2025 or early 2026 construction.

Because of that, it is CMT's recommendation to award the Base Bid and any funded additive alternates to the low bidder, Emery Sapp & Sons, Inc, of Columbia, MO, upon receiving a grant from the FAA, in the negotiated amount of Base Bid– Nine Million, Nine Hundred Eighty Thousand, Ninety-One Dollars and Seventy-Nine Cents
Additive Alternate #1 – Three Hundred Six Thousand, Five Hundred Twenty-Nine Dollars and Twenty-Five Cents
Additive Alternate #2 - One Million, One Hundred Two Thousand, Four Hundred Ninety Dollars and Fifty Cents

Please feel free to call or email if you have any comments or questions.

Sincerely,

Brian Bloodworth
Project Engineer, Crawford, Murphy & Tilly, Inc.

Attachments: ESS Bid Package
Bid Tabulation with Engineers Estimate

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