



August 11, 2014

David Lothspeich
Village Manager
Village of Long Grove
3110 RFD
Long Grove, Illinois 60047

Re: PROJECT AWARD RECOMMENDATION – Long Grove 2014 Street Program
Section No.: 14-00000-01-GM
ESI Project No.: 04-026-018 BG#444 ORD

Dear Mr. Lothspeich:

ESI Consultants, Ltd. (ESI) is pleased to notify the Village of Long Grove that three (3) different contractors obtained bid documents and have submitted bids for the 2014 Street Program. At the bid opening on July 31, 2014, 11:05 a.m., at the Village Hall, the three (3) bids were opened and reviewed. The apparent low bidder was Chicagoland Paving Contractors Inc. with a base bid of **\$499,900**. Please note that this bid came in approximately \$90,890 under the engineer's estimated amount. Also note that the engineer's opinion of estimated cost of construction was the second lowest when compared with the three base bids and was just a few percentage points of the bid alternatives. Attached to this letter are the complete summary of bids and the detailed tabulation of all bids on the Illinois Department of Transportation (IDOT) Bureau of Local Roads (BLR 12315) forms for the BASE BID, BID ALT. 1, and BID ALT. 2.

When comparing the engineer's estimated unit prices to the lowest bidder unit prices, the engineer's estimated unit pricing was higher for traffic control and protection and for many of hot-mix asphalt unit prices. Just nine of the items of work account for 91% of the cost differential between the engineer's estimate and the low bid. The engineer's estimated unit prices for hot-mix asphalt work was based on discussions with several contacts in the industry who noted increased costs this year. In fact, when compared with the other bidder's unit prices, the engineer's estimated unit prices for these items are still generally nearer to the lower end of the range. It appears that the low bidder maintained aggressive pricing for this work.

As recommended by IDOT, a minimum of eight (8) days shall be waited before officially awarding the project in order to allow time to elapse for any bid challenges or protests. Subject to IDOT confirmation at the end of the eight (8) day waiting period (August 12, 2014), it is our recommendation that Chicagoland Paving Contractors Inc. be conditionally awarded the Long Grove 2014 Street Program in the base bid amount of \$499,900. Once IDOT confirmation is received and the eight (8) day waiting period has elapsed, it is recommended that the Village execute the Contract such that work can begin as soon as possible.

We request that the Board provide direction as to whether the Village would like to:

- 1) Only award the Base Bid of \$499,900, or**
- 2) Also include Bid Alternative 1 in the additional amount of \$89,837.99 for a total amount of \$589,737.99, or**
- 3) Also include both Bid Alternative 1 in the amount noted above and Bid Alternative 2 in the additional amount of \$44,920.00 for a total amount of \$634,657.99.**

Once the Board provides direction on this matter, ESI consultants will continue with the process of securing the necessary signatures and awarding the contract. Please call if you have any additional questions.

Sincerely,
ESI Consultants, Ltd.

Joseph Chiczewski, P.E.
President

Attachments