



May 4, 2017

Mr. Vincent Burke, PE, Director  
Indian River County Department of Utility Services  
1801 27<sup>th</sup> Street  
Vero Beach, Florida 32960

RE: North County Commercial Sewer & Water Project UCP #4119  
Bid No. 2017046 Evaluation and Recommendations

Dear Vincent:

I am enclosing a spreadsheet we prepared showing the three (3) Contractor's bids. The low bidder is Timothy Rose Contracting with a bid amount (including the \$200,000 Force Account) of \$2,977,931.58. The second lowest bid is from Blue Goose Construction with a "corrected" bid of \$3,051,182.58 and the third lowest bid is Pipeline Utilities with a "corrected" bid of \$3,253,545.35. The correction in the second and third lowest bids reflects a reduction of Item 60 to \$90,000.00 which is the amount required for mobilization, demobilization per specifications Section 01025.

All of the bids came in substantially above our office's engineering estimate for the project of \$2,200,000 which includes a force account amount of \$200,000. Since the bids have been received, I have researched construction costs and have concluded that our engineering estimate is too low based on the fact that it did not consider the recent substantial increase in construction costs due to a surge in infrastructure projects. In addition, the construction of gravity sewer along US Highway 1 is not a standard sewer construction project especially with the addition of the gas pipeline in the proposed pipeline route.

The three (3) bid amounts are close to each other with the highest bid amount less than 10% higher than the low bid amount. Therefore, I have concluded that the cost of this project to construct is in the \$3 million range. Even though the project is more expensive than originally anticipated, I still think the project should move forward. Please bear in mind that this project not only results in environmental benefits by removing septic discharges from the Indian River Lagoon but by virtue of the construction of gravity sewer along US Highway 1 and in other commercial areas, the project will be an economic driver to the City of Sebastian and Indian River County. Therefore, it is my professional recommendation that the County award the contract to Timothy Rose Contracting in the amount of \$2,977,931.58 contingent upon the approval by the County Attorney.

Respectfully submitted,  
**MASTELLER & MOLER, INC.**

Earl H. Masteller, PE, BCEE  
President  
EHM/cab  
Enclosures

Cc: Arjuna Weragoda, PE – Capital Projects Manager

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