

VIA ELECTRONIC MAIL

July 17, 2008

Michael A. Hartman, Vice President
Pospiech Contracting, Inc.
201 S. Apopka Avenue
Inverness, FL 34452

RE: Invitation to Bid (ITB) 80241 – Drainage Pond Construction

Mr. Hartman;

This letter is in response to your letter dated July 1, 2008, regarding matters related to the submittal from the apparent low bidder.

I appreciate PCI's concern and information which was provided. Each item submitted by you has been carefully reviewed and researched by our engineering firm and my purchasing staff. My response to each issue is included here.

1. Southern Site Works, Inc. did not acknowledge Addendum Two either by copy or signature. – *This may have been related to a clerical error on our part. My staff accidentally distributed the original Addendum Two labeled as Addendum One. The low bidder has subsequently acknowledged Addendum Two and it has not affected the price or any other terms and conditions they submitted.*
2. Southern Site Works Inc. had a fifty cent error in their math. - *The math error has been found and corrected. - As noted in our General Terms & Conditions, if an error in the total is made the unit prices will take precedent.*
3. Pospiech Contracting, Inc. can complete the project in 180 days vs. Southern Site Work, Inc. in 210 days. - *Nowhere in the bid document did it indicate that the days to complete the project would be a determining factor. The City collects this information at time of bid submittal in order to prepare a contract with the lowest bidder. The ITB did not establish a firm completion date. In fact, the ITB Summary indicated the Engineer's estimate for time to complete the project was eight (8) months or approximately 240 days.*
4. Southern Site Works, Inc. did not fill out off-hours for emergencies or consultation contact.
5. Southern Site Works, Inc. did not fill out subcontractor listing or material supplier or manufactures.
6. Southern Site Works, Inc. did not include resumes, and required licenses that stated "must be included".
Response to 4, 5, & 6 – The referenced form obtain items of information which are primarily used during the contract administration cycle. It is useful information to have for checks and balances but, is not considered to have a significant impact to this sealed bid acquisition where award is based on price and price related factors.
7. Southern Site Works, Inc. did not attest the Principal signature on the bid bond. – *The Bid Bond has been endorsed and attested to by the Surety's attorney-in-fact. The SSW*



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Bid Bond evidences an acceptable notarized endorsement of the SSW principal. This bond is believed to be legally sufficient and the lack of an attesting signature is considered a minor informality.

Finally, in regard to the A.M. Best Company material submitted, it indicates the AM Best rating of (A) and (A-) are both "Excellent" (only these two symbols are at that level of the scale). The City requested a rating of "Excellent" and both the (A) and (A-) meet that term.

Each of the issues raised by you did not provide an advantage to Southern Site Works nor did it put your firm at a disadvantage. One of my goals for the City is to provide a fair and competitive process. I believe that has been met with this solicitation. I cannot justify penalizing the taxpayers nearly \$90,000 for minor informalities in a bid submittal.

As you know the construction market is down right now so there are many firms looking for work. Many of these firms have not had to seek projects with government agencies and are not familiar with the process and what is expected of them when submitting a bid package. There are many that are certainly not as experienced as your firm in bidding government projects. My office makes a concerted effort to work with firms new to the government arena so they understand what is expected and how the process works. This is an ongoing educational process.

Your concerns have also caused my office to further review our solicitation documents and make some adjustments to the language and the requirements. Primarily being sure that the information we are asking for is necessary. I thank you for bringing these items to our attention so we may avoid these issues on future solicitations.

Based on our review, and in previous similar occurrences at this office and many other purchasing organizations, issues which do not create an advantage or disadvantage for any parties involved in the process are usually determined to be minor informalities correctible prior to contract award.

I will be recommending to the funding agencies an award be made to the lowest bidder. If they agree with my recommendation I will be making the same recommendation to the Leesburg City Commission for contract execution.

Thank you and please be assured PCI's interest in working with the City of Leesburg is greatly appreciated.

Respectfully,



Mike Thornton
Purchasing Manager
City of Leesburg, Florida
cc: File