

**REQUEST TO AWARD CONSTRUCTION CONTRACT
FOR
BROWN HALL RENOVATIONS
SOUTH DAKOTA STATE UNIVERSITY
OSE#R0314—12X**

APRIL 2015

In accordance with the Board of Regents Policy 6.4 for Capital Improvements, South Dakota State University (SDSU) requests approval to issue a contract to the low responsible bidder, Clark Drew Construction for the negotiated base bid of \$8,141,000.

This submittal is a result of the public bid process approved by the Building Committee appointed to this project. Results of the bids of April 15, 2015 were:

Contractor	Base Bid	Alt #1	Alt #2	Alt #3	Bid Total
Clark Drew Construction	\$9,010,000	\$383,000	\$79,000	\$0	\$9,472,000
Jans Corporation	\$9,350,000	\$283,600	\$61,600	\$220,474	\$9,915,674

The following are bid alternates within the project:

- 1) Renovated the north apartment into student program area.
- 2) Renovate six existing floor lounges into twelve student rooms.
- 3) Install solid surface floor and walls in all shower locations.

The base bid by low bidder Clark-Drew Construction was 26% over A/E estimate; significantly over budget.

After the bid results, Clark-Drew Construction has proposed a negotiated base bid of \$8,141,000. Their pricing for the bid alternates remained the same. Through their own self-evaluation of their base bid breakout, were able to clarify and securing firm pricing on several details of the project. This negotiated bid does not reduce or change any part of the project scope.

Based on this negotiated contract value it is recommended to accept the negotiated base bid and bid alternate #3.

The updated project budget with negotiated contract is as follows:

Base Bid Construction	\$8,141,000
Bid Alternate #3: Solid Surface Showers	\$0
Total Construction Costs	\$8,141,000
Facility Design Costs	\$1,609,00
TOTAL PROJECT COST ESTIMATE	\$9,750,000

There is an owner's contingency \$313,968 (3.9%) within Facility Design Costs. As stated in the Facility Design Plan, the project funding is \$9,750,000.