



June 6, 2005

Board of Education
Gadsden Independent School District
PO Drawer 70
Anthony, NM 88021

RE: Bid - Chaparral High School
Gadsden Independent School District

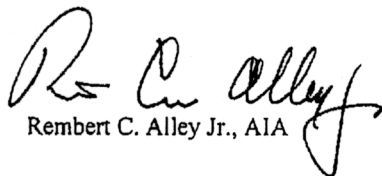
Dear Board Members:

Tuesday, May 31, 2005 bids were received for the Chaparral High School, the results of which are shown on the enclosed Bid Tabulation sheet. The low bid was from Gencon Corporation whose Base Bid was \$3,782,000.00 lower than the DND Contractor's Base Bid. Shortly after the bid opening Mickey Clute, President Gencon Corp., returned to the conference room and spoke with Pam Wright (Purchasing Agent, GISD), Brent Flenniken (Representative, PSFA) and I, and said that Gencon had made a major error in their Base Bid. After Mr. Clute left the three of us discussed possible scenarios and then decided it was best to let any discussions or recommendations be delayed until we were able to better understand the District's options.

Wednesday and Thursday involved numerous discussions, phone calls, and meetings. An outline of which is enclosed. The main topic was Gencon's request to accept as a minimum, their Base Bid and Alternates #1 through #6 or #7, otherwise they would withdraw their bid due to an error in accordance with the State Purchasing Act. An afternoon meeting was then held where I reviewed the bids with Superintendent Aguela Mora and Associate Superintendent Richard Chavez. We spoke about the bid error, DND's bid being over budget, that Gencon's bid through Alternate #6 was \$862,000.00 over DND's bid through Alternate #3, rebidding would delay the project at least 60 days and mean probable cost increase, and if the District could not consider Gencon's bid by noon Thursday they would withdraw their bid and bid on a Las Cruces Elementary School. After the meeting I reviewed in detail the project file and compared the bid price (Base Bid through Alternate #6) with the enclosed March 2005 Project Budget. The bid price plus taxes and fees comes to \$26,799,711.00 and the March Project Budget is \$27,337,605.00. The March Budget includes landscaping, furniture, and equipment, and the bid price includes \$215,000.00 in Modification Allowances and \$360,000.00 for Kitchen Equipment most of which is funded from another source.

With the District's decision to make funds available for the Base Bid through Alternate #6, I recommend acceptance of Gencon Corporation's bid of \$23,883,000.00 and awarding them a Contract. I will attend the Board Meeting of June 9, 2005 along with a representative from Gencon Corporation to answer any questions.

Sincerely,


Rembert C. Alley Jr., AIA

Post-it® Fax Note	7671	Date	6/6/05	# of pages	1-6
To	David Boyd	From	Rem Alley		
Co./Dept.	GISD	Co.	Alley Assoc.		
Phone #		Phone #			
Fax #		Fax #			



CHAPARRAL HIGH SCHOOL - 2005

PHASE I - BUDGET

July 25, 2003
 Revised July 20, 2004
 Revised October 28, 2004
 Revised January 5, 2005
 Revised March 29, 2005

Building Construction

Wing "A" core	64,226 SF	@	\$120.00/SF	=	\$ 7,707,120.00
Wing "B"-	12,930 SF +/-	@	\$120.00/SF	=	\$ 1,486,950.00
Wing "C"-	13,042 SF	@	\$115.00/SF	=	\$ 1,499,830.00
Wing "D"-	13,042 SF	@	\$115.00/SF	=	\$ 1,499,830.00
Wing "E"-	13,042 SF	@	\$115.00/SF	=	\$ 1,499,830.00
Wing "F"-	13,042 SF	@	\$115.00/SF	=	\$ 1,499,830.00
Wing "G"	13,042 SF	@	\$115.00/SF	=	\$ 1,499,830.00
Wing "H"-	22,303 SF	@	\$120.00/SF	=	\$ 2,676,360.00
Wing "I" -	3,272 SF	@	\$115.00/SF	=	\$ 376,280.00
Tax @ 5.8125%					<u>\$ 1,147,728.00</u>
					\$ 20,893,588.00

Site Work

Entry Courtyard -					
	40,000 SF	@	\$ 10.00/SF		\$ 400,000.00
Parking -					\$ 465,000.00
Bus Drive	2,600 LF	@	\$ 60.00/LF		\$ 156,000.00
Road	3,000 LF	@	\$ 110.00/LF		\$ 330,000.00
Fencing	7,800 LF	@	\$ 12.00/LF		\$ 93,600.00
Geothermal Field					\$ 800,000.00
Concrete Paving					\$ 130,000.00
Landscaping					\$ 300,000.00
Dirt Work	100,000 CY	@	\$ 5.00/CY		<u>\$ 500,000.00</u>
					\$ 3,174,600.00

Utilities

Gas	3,000 LF	@	\$ 15.00/LF	\$ 45,000.00
Water	5,500 LF	@	\$ 15.00/LF	\$ 82,500.00
Sewer Plant				\$ 350,000.00
Water Pressure Pump				\$ 100,000.00

Fire Hydrants 10	@	\$ 1,500	\$ <u>15,000.00</u>
Total			\$ 592,500.00

Services

Architectural/Engineering	\$ 1,280,903.00
Survey	\$ 2,600.00
Geothermal Testing	\$ 18,000.00
Soil Testing	\$ 8,700.00
Tax @ 7%	\$ <u>91,714.00</u>
	\$ 1,401,917.00

Furniture/Equipment

Kitchen	\$ 325,000.00
Library	\$ 150,000.00
Computers	\$ 500,000.00
Furniture	\$ <u>300,000.00</u>
	\$ 1,275,000.00

Recap

Building	\$ 20,893,588.00
Site Work	\$ 3,174,600.00
Utilities	\$ 592,500.00
Services	\$ 1,401,917.00
Furniture	\$ <u>1,275,000.00</u>
	\$ 27,337,605.00



**OUTLINE MEETING
EVENTS, Ect.**

June 1, 2005, Wednesday, a.m.

- Phone Call - Bob Carson (Gencon Corp.) to Rem Alley:
- Gencon requested acceptance of their Base Bid through Alternates #6 or #7.
- Phone Call - Brent Flenniken (PSFA) to Rem Alley:
- Needed additional information regarding bids. Relayed Gencon's request to accept their bid for the Base Bid through Alternates #6 or #7.
- Meeting Garry Keyes, Bob Carson (Gencon Corp.), with Rem Alley:
- Discussed their bid including error in Base Bid. Further clarified their request to consider their bid including the Base Bid, through Alternates #6 or #7. Without Alternates they would withdraw their bid. If a timely determination could not be made they would proceed on bidding a new Las Cruces Elementary School, but could not do both projects due to limits in their Bonding capacity.
- Phone Call - Mr. Tyler (DND Contractors) to Rem Alley:
- Requested status of bids. Mr. Tyler was told of Gencon's request for Base Bid through Alternates #6 or #7.

June 1, 2005, Wednesday, p.m.

- Phone Call - Rem Alley to Superintendent Mora:
- Requested meeting to discuss bids.
- Meeting - Superintendent Aguela Mora, Associate Superintendent Richard Chavez, and Rem Alley at Mesquite Elementary School:
- Subject of discussion:
 - As a minimum the Base Bid through Alternates #3 were required.
 - Gencon's request for acceptance of their bid for the Base Bid through Alternates #6 or #7. If this is not possible they would withdraw their bid and bid a Las Cruces Elementary School. A timely decision on their request was needed to allow them to bid the elementary school.
 - DND's bid was higher than expected and their Base Bid through Alternate #3 was \$23,021,000.00 some \$862,000.00 less than Gencon's bid of \$23,883,000.00 through Alternate #6.
 - Rebidding would delay the High School a minimum of 60 days and likely delay its opening until the summer of 2007.
 - Probable cost increase due to rebidding. Unless project is reduced in scope, rebidding usually loses contractor's interest and rarely reduces cost. Rebidding would be further impacted by several other local projects bidding, and a new State law (in effect June 17, 2005) that all subcontractors over \$50,000.00 be bonded.
 - Phone call from Superintendent Mora to Associate Superintendent Laura Garcia verified possible availability of an additional \$3,500,000.00 in project funds.
- Phone Call - Rem Alley to Bob Carson (Gencon):
- Possible additional funds and Alley Associates, would contact Gencon Corporation regarding if they became available.

June 2, 2005, Thursday, a.m.

- Phone Call Brent Flenniken (PSFA) to Rem Alley:
- Requested results of Wednesday afternoon meeting. Brent was asked to speak directly with Superintendent Mora or Associate Superintendent Chavez if he had concerns or needed further information.
- Phone Call - Associate Superintendent Richard Chavez to Rem Alley:
- The GISD approved an additional \$3,500,000.00 for Chaparral High School.
- Phone Call- Rem Alley to Gencon (Bob Carson):
- Verified approval of \$3,500,000.00 in additional project funds. Action by the Board on bids would be at their June 9, 2005, Board Meeting. I will attend this meeting and suggested Gencon also attend. Gencon Corporation decided not bid the Las Cruces Elementary School.
- Phone Call - Mr. Tyler (DND Contractors) to Rem Alley:
- Verified that GISD was considering Gencon's bid.
- Fax - March 29, 2005 Project Budget faxed to Superintendent Mora.

June 2, 2005, Thursday, p.m.

- Phone Call - Rem Alley to Brent Flenniken (PSFA):
- Verifying that GISD approved additional funds.



ALLEY ASSOCIATES
ARCHITECT-PLANNERS

BID TABULATION SHEET

1691 HICKORY LOOP, STE. A
LAS CRUCES, NEW MEXICO
88005
(505) 523-1310

PROJECT: Chaparral High School-2005
Gadsden Independent School District

BID DATE: May 31, 2005
BID TIME: _____

CONTRACTOR:	Base Bid: High School	Alternate #1: Geothermal	Alternate #2: Site Development	Alternate #3: Kitchen Equip.	Alternate #4: Band Bldg.	Alternate #5: Wing "E"	Alternate #6: Wing "D"	Alternate #7: Drive Entry	Total Bid
DND Contractors, Inc. PO Box 928 Santa Teresa, NM 88008	\$ 19,282,000	\$ 2,350,000	\$ 1,042,000	\$ 347,000	\$ 477,000	\$ 1,602,000	\$ 1,552,000	\$ 191,000	\$ 26,843,000
				Subtotal \$ 23,021,000			Subtotal \$ 26,652,000	Total \$ 26,843,000	
Gencor Corporation PO Box 44B Mesilla Park, NM 88046	\$ 15,500,000	\$ 1,113,000	\$ 2,950,000	\$ 360,000	\$ 562,000	\$ 1,699,000	\$ 1,699,000	\$ 102,000	\$ 23,985,000
				Subtotal \$ 19,923,000			Subtotal \$ 23,883,000	Total \$ 23,985,000	
HB Construction 3400 Vista Alameda, NE Albuquerque, NM 87113									NO BID
Jaynes Corporation 2906 Broadway, NE Albuquerque, NM 87107									NO BID