



Insituform
Technologies, LLC

Worldwide Pipeline
Rehabilitation

17988 Edison Avenue
Chesterfield, MO 63005
www.aegion.com

Tod O'Donoghue
General Counsel
Phone: 636-530-8797
Fax: 636-898-5158
E-mail: todonoghue@aegion.com

OCT 3 12 4:24PM

October 3, 2012

VIA HAND DELIVERY

Mr. Kirk Buffington
Deputy Director of Finance
Procurement Services Division, Department of Finance
City of Fort Lauderdale
100 N. Andrews Ave, 6th Floor, Room 619
Fort Lauderdale, FL 33301-1016

Re: **Notice of Protest**
Project: Bid #223-11052
No. 11577 Sewer Basin A-21 Progresso and Annual Sewer Repair
Contract
Bidder: Insituform Technologies, LLC

Dear Mr. Buffington:

Please accept this letter as the formal bid protest of Insituform Technologies, LLC ("Insituform"), regarding the City's intent to award the above-referenced Contract to Lanzo Lining Services, Inc. ("Lanzo"). As explained below, it is the position of Insituform that the City should reject Lanzo's bid submission as nonresponsive, as well as the second bidder Ric-Man Construction, Inc. ("Ric-Man") and rebid the Project.

Schedule A: Mobilization/Demobilization Limits Exceeded

On the Project bid form required for all bidders, the description for item #1 on Schedule A clearly states that the mobilization/demobilization unit price is "not to exceed 5% of Schedule A value" (Exhibit 1). The official bid tabulation, posted on the City's website (Exhibit 2), shows that Lanzo submitted a quote for mobilization/demobilization of \$65,000, and had a total bid price for Schedule A of \$730,635.00:

Project - 11577 Sewer Basin A-21 Progresso and Annual Sewer Repair Contract						Estimate: \$3,142,954.00	
Bid Date: September 5, 2012							
Item	Quantity	Unit	Unit Price	Item Total			Total
1 Mobilization/demobilization (not to exceed 5% of Schedule A value)	1	LS	\$65,000.00	\$65,000.00	Kimberlys:		15,000.00
2 Consideration for Indemnification	1	LS	\$25.00	\$25.00	Over the 5% limit.		\$25.00
3 Allowance for Permit Fees	1	AL	\$1,000.00	\$1,000.00			\$1,000.00
4 Install 8 inch diameter CIPP mainline liner	3600	LF	\$26.00	\$93,600.00			\$93,600.00
5 Install 8 inch diameter CIPP mainline liner in CI main	450	LF	\$26.00	\$11,700.00		\$26.00	\$11,700.00
6 Install 10 inch diameter CIPP mainline liner	16000	LF	\$28.00	\$448,000.00		\$30.00	\$480,000.00

Project - 11577 Sewer Basin A-21 Progresso and Annual Sewer Repair Contract						Est
Bid Da	September 5, 2012		Lanzo Lining Services, Inc, De		Ric	
Item		Quantity	Unit	Unit Price	Item Total	U
13	Pipe grouting for spot pipe repair to facilitate proper liner installation (est)	500	GAL	\$14.00	\$7,000.00	
14	Shrub and tree (less than 4 inches diameter) removal and replacement (est)	10	EA	\$120.00	\$1,200.00	
15	Special Cleaning - CIP	775	LF	\$6.00	\$4,650.00	
16	Clean and inspect - previously lined pipe	1110	LF	\$4.00	\$4,440.00	
17	Re-cut existing lateral openings in previously lined mains	25	EA	\$200.00	\$5,000.00	
Total for Schedule A Work					\$730,635.00	

Thus, Lanzo's mobilization/demobilization amount of \$65,000.00 is 8.90% of the total Schedule A cost of \$730,635.00. Insituform believes that Lanzo's failure to comply with this unambiguous bid requirement leaves the City no choice but to deem Lanzo's bid as nonresponsive. Since Lanzo's bid is nonresponsive, the City must reject Lanzo's bid. Indeed, as evidenced by the Excel "comment" inserted into the official bid tabulation by City personnel, it is clear that the City is well aware that Lanzo's mobilization /demobilization amount exceeds the 5% threshold set forth in the bid documents.¹

It is Insituform's belief that the City cannot "waive" Lanzo's blatant disregard for the bid requirements. Similarly, the City cannot allow Lanzo to "amend" its bid to bring its mobilization/demobilization costs within the 5% threshold, for that would give Lanzo a competitive advantage over the rest of the bidders. The City's only action relative to Lanzo's bid is to reject Lanzo's bid as nonresponsive. Insituform is also concerned that Ric-Man, the second bidder, may not be able to establish that it can meet the CIPP experience requirements in the bid documents. As such, Insituform would urge the City to review Ric-Man's CIPP experience to insure that Ric-Man meets the full intent of the experience specification.

Given the issue with Lanzo's bid submission, and the question of whether Ric-Man complies with the CIPP experience requirement, Insituform submits that it would be in the City's best interest to reject all bids, and put this Contract out for rebid.

If you have any questions or would like to further discuss this matter, please do not hesitate to contact me.

¹ Please note that the Excel "comment" is only visible when viewing the bid tabulation in Excel. For that reason, this letter contains a "screenshot" of the spreadsheet.

Very truly yours,

INSITUFORM TECHNOLOGIES, INC.

By: 

Tod O'Donoghue
General Counsel

Enclosures

CC: Robert Moorhead, Insituform Business Development Regional Manager
Ian Lancaster, Insituform Business Development

**PROPOSAL
PROJECT 11577
SEWER BASIN A-21 PROGRESSO AND ANNUAL SEWER REPAIR CONTRACT**

TO THE COMMISSION OF THE CITY OF
FORT LAUDERDALE, FLORIDA

Gentlemen:

The undersigned bidder proposes to furnish all labor, tools, material and supplies, and to sustain all the expense incurred in doing the work set forth below that may be awarded the undersigned by the City of Fort Lauderdale, Florida, through its proper officers, and to do the same strictly in accordance with the plans and contract documents on file in the Office of the City Engineer of Fort Lauderdale, which are referred to below and made a part hereof, at the following unit prices, to-wit:

The following items are for relining sewers at Basin A-21 Progresso.

(Note: Items numbers in the Bid Schedule correspond to descriptions in Section 012910 MEASUREMENTS AND PAYMENTS.)

BID SCHEDULE A

Item No.	Description	Estimated Quantity	Unit	Unit Price	Total Bid Price
	SRF Eligible. ALL QUANTITIES ESTIMATED AND NOT GUARANTEED				
1.	Mobilization/demobilization (not to exceed 5% of Schedule A value)	1	LS		
2.	Consideration for Indemnification	1	LS	\$25.00	\$25.00
3.	Allowance for Permit Fees	1	AL	\$1,000.00	\$1,000.00
4.	Install 8 inch diameter CIPP mainline liner	3,600	LF		
5.	Install 8 inch diameter CIPP mainline liner in CI main	450	LF		
6.	Install 10 inch diameter CIPP mainline liner	16,000	LF		
7.	Install 10 inch diameter CIPP mainline liner in CI main	325	LF		
8.	Install 10 inch diameter CIPP mainline liner in previously lined mains	800	LF		
9.	Install 15 inch diameter CIPP mainline liner	700	LF		
10.	Install 15 inch diameter CIPP mainline liner in previously lined mains	310	LF		

ITB AWARD RECOMMENDATION / INTENT TO AWARD

To: Jean Examond

From: Procurement Specialist: James Hemphill

Date: 09/07/12

ITB #: 223-11052 Item/Service: Project 11577-Sewer Basin A-21 Progresso/Annual Sewer Repair

Attached are apparent low bid(s) and a tabulation for subject items/services requisitioned by your department. Please complete the applicable portions of this form in order that proper presentation and recommendations may be made. Please return this form to the Procurement Specialist as soon as possible.

1. PROCUREMENT COMMENTS:

2. RECOMMENDATION:

A. Which bids do you recommend? Lanzo Lining Services, Inc- Deerfield Beach, Florida

B. Does this meet specifications as per your request and as advertised?

YES ☒
NO ☐

If No, is the variance considered:

MINOR ☐

or

MAJOR ☐

Explain:

C. Is the recommendation the lowest bid received?

YES ☒ NO ☐

D. List the bids that are low but which you believe DO NOT meet specifications and list reasons why each does not meet specifications; please attach a memorandum of explanation to this form if necessary.

N/A

(attach an additional sheet if further comment or explanation is required)

PRINT NAME: Albert Carbon
Department Director or designee

SIGNATURE

SIGNATURE: Albert Carbon

Deputy Director of Finance

DATE 09/18/12

DATE

3. PROCUREMENT ACTION/RECOMMENDATION(S):

THIS FORM MUST BE COMPLETED AND RETURNED TO THE PROCUREMENT SERVICES DIVISION FOR ALL AWARD RECOMMENDATIONS OF \$25,000 AND ABOVE.
FOR AWARD RECOMMENDATIONS REQUIRING COMMISSION AWARD APPROVAL, SUBMIT THIS FORM NO LATER THAN THREE (3) WEEKS PRIOR TO THE PUBLISHED COMMISSION AGENDA ITEM DEADLINES FOR PURCHASING ITEMS.

Over \$25,000 YES ☒ NO ☐



Cashier's Check

No. 8560637

Notice to Purchaser: In the event this check is lost, misplaced or stolen, a stop statement and 90-day waiting period will be required prior to replacement. This check should be registered within 90 days.

Date OCT03 13, 2012

30-1/1140
NTX

Banking
Center

RIVERLAND

0109495 00017 0008560637

Remitter (Purchased By) INSTITUTE FOR TECHNOLOGIES, LLC

Pay

TWO HUNDRED DOLLARS AND 00 CENTS

\$

200.00

To:
The
Order
Of

CITY OF FORT LAUDERDALE
RE: BID PROCEED

Authorized Signature

Bank of America, N.A.
San Antonio, Texas

VOID AFTER 90 DAYS

⑈8560637⑈ ⑆111000019⑆ 001641002062⑈

THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK