



AS&R Alaska Scrap & Recycling LLC

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Kenai Peninsula Borough
144 N. Binkley Street
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Attn: Kenai Peninsula Borough Assembly

Re: Appeal by D & L Construction Co., Inc of INTENT TO AWARD
ITB22-044 Summer & Winter Maintenance, West Region, Unit 6

Dear Assembly Members:

This letter is in response to the appeal of the Kenai Peninsula Borough's (KPB's) Intent to Award Alaska Scrap and Recycling, LLC (AS&R) the Summer and Winter Maintenance for West Region Unit 6.

I will start with a brief introduction of myself. My name is Paul Keen. I have been employed at the same job since 1986. During these 36 years, the company ownership has changed five times but the commitment to the high level of service provided by AS&R remains unchanged. The type of work has varied from oilfield support, septic pumping and installation, refuse hauling, metal recycling, road maintenance, and KPB road projects. I have been in a supervisory position since 1996. My first KPB road maintenance contract began in December 2007 with Central Unit 4. I have performed maintenance duties for that Unit for the last 15 years. June 30 will be the end of my service in this Unit. I have managed as many as 5 KPB road maintenance contracts simultaneously and have done so with a good record. We had West Region Unit 1 during the flood disaster of 2013. We worked closely with the Roads Department and provided the KPB with high quality service at a fair and equitable price during this emergency in our community. In 2012, we formed AS&R. With this new company, we maintained our location at 42462 K-Beach Road and opened a metal recycling center in Anchorage.

AS&R agrees with KPB's initial award of West Unit 6 to AS&R. Below I will go item by item and refute the claims made by Mr. Smith in D&L Construction Co., Inc.'s appeal:

- 1) AS&R did submit a bid for West Region Unit 6. The sealed envelope was clearly labeled ITB 22-044 Summer and Winter Maintenance West Region Unit 6. The signature page was for Unit 6. The minor error was in the bid sheet. Each Unit's bid sheet was identical except for the Unit number. John Hedges, after consulting with the KPB Legal Department, ruled that having the wrong bid sheet was not cause for finding AS&R's bid unresponsive. I clearly stated prior to the opening of the bids that I was only bidding on West Region Unit 6 and no other Units. Roads Inspector Jed Painter and Shawn Holly of River City Construction were both present when I made the statement.
- 2) AS&R did submit a bid with the amounts and information asked for on the bid schedule, and the bid was for the work exactly as specified and requested by the KPB. John Hedges' communication with Mr. Smith also confirms that the signature page of the bid was in fact for West Region Unit 6. The error was only in the use of the bid sheet for Unit 5. It was very clear that AS&R bid on West Region Unit 6, and the submitted bid sheet was identical to the Unit 6 sheet in format and does not alter the value of the bid provided. The signature page clearly stated the bid was for West Region Unit 6, and the response from the contractor at the bid opening confirmed that the bid was for West Region Unit 6. This is a minor irregularity and is not cause for finding the low bid as unresponsive.

- 3) AS&R did acknowledge all 3 addendums.
- 4) KPB issued its intent to award to the lowest responsive bidder for West Region Unit 6. Mayor Charlie Pierce upheld John Hedges' decision on this matter. No fraudulent activity or falsification has occurred, nor has it been considered related to the award of the contract for West Region Unit 6. Any allegations in this regard are completely unfounded.
- 5) AS&R fails to see any lack of integrity by the KPB. John Hedges called me approximately 1 hour after the bid opening. He stated that he needed to check with the KPB legal department prior to issuing the Intent to Award for West Region Unit 6. Mr. Hedges also stated that there would most likely be an appeal. I have been working for the KPB for 15 years continuously and have never witnessed what Mr. Smith is describing. The KPB personnel has been very transparent and acted with the utmost integrity. All the bid processes that I have been involved with the KPB have been fair and open.
- 6) Finally, Mr. Smith believes there is some question as to whom the KPB would be contracting with for West Region Unit 6. It is very clearly AS&R. The company was formed in 2012. It leases property and buildings located at 42462 K-Beach Road, Soldotna, AK 99669. We have leased from SAS Properties, LLC since 2012, and our current lease term goes until 2027. I am a partner along with the founders of our current business. I started working for my current partners in May 1999. We have every intention to keep providing valuable services to the KPB in any capacity whether it is for the Roads Department or the Solid Waste Department.

As lowest responsive bidder, AS&R is committed to continuing to provide exemplary service to the KPB and West Region Unit 6. We respectfully request the KPB reject this unfounded appeal. Should you have any questions or need further clarifications, my contact information is below. Thank you for your time.

Respectfully,



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