

December 27, 2004

805-A NEW HAMPSHIRE ST. LAWRENCE, KS 66044.2739
T. 785.331.3399 F. 785.331.0846

Mike Wildgen
City Manager
City of Lawrence
6 East 6th Street
Lawrence, KS 66044

Re: Lawrence/Douglas County Fire and Medical Station No. 5

Dear Mr. Wildgen,

We received the construction bids for Station No. 5 from six general contractors at 2:00pm on December 7, 2004. At 2:12pm First Management Incorporated's bid bond was delivered to the City Staff prior to their bid's opening. Although this is an irregularity, and we have received several written statements regarding this irregularity, we do not feel this gave First Management Incorporated an advantage. A bid bond requirement guarantees that the bidder will enter into the contract as bid.

All bids exceeded the engineer's construction estimate of \$4,072,100 presented to you August 18, 2004 (attached). The three lowest bids were all within one percent of one another, the lowest bid of \$4,570,000 submitted by First Management Incorporated (exceeding the budget by \$497,900). Through discussion with suppliers and subcontractors, we've found that much of the cost increase is due to inflation (existing and anticipated) on materials and labor. We have identified the majority of the cost differences in these five areas:

- Site Work (paving, re-grading, etc.)
- Masonry (brick and stone veneers)
- Metals (structural steel)
- Building Insulation (walls, foundations and roofs)
- Mechanical Systems (heating and cooling)

We have identified the following options for the Commission to consider for further action:

Option one:

Re-Bid the project with non-functional modifications and revisions to the specifications (e.g. change in materials not significantly impacting the quality of the project). This change should result in lower bids. However, the bids are likely to be higher than the August 2004 estimate. Sabatini Architects Inc. and City staff recommend this option because of likely overall cost savings, it consolidates and centralizes the Administrative Offices, and it maintains the architectural integrity of the design that has been approved by both the Commissioners and the KU Endowment.

Option two:

Accept the low bid by First Management Incorporated by waiving the irregularity of their bid bond's submission and the approved August 18 engineer's estimate. Sabatini Architects Inc. and City staff do not recommend this option because possible construction savings have been identified to reduce the overall cost of the project.

Option three:

Accept the bona fide next lowest bidder by waiving the approved August 18 engineer's estimate. Sabatini Architects Inc. and City staff do not recommend this option because possible construction savings have been identified to reduce the overall cost of the project.

Option four:

Re-design and re-bid the building to eliminate the Administrative Offices, therefore reducing the overall cost. Sabatini Architects Inc. and Department Staff do not recommend this option because it continues the inefficiencies of decentralization in Fire Medical Administration, which the building was designed to remedy.

If Option One is acceptable, we propose the following project schedule:

January 31, 2005	Issue Bid Documents
February 22, 2005	Bid Opening
March 8, 2005	Recommendation to the City Commission
March 8, 2006	Building Occupancy

We appreciate your direction and guidance, and we apologize for any burden this presents to the City and to the County.

Respectfully,

A handwritten signature in black ink, appearing to read 'Dan Sabatini', with a large, stylized flourish extending from the end.

Dan Sabatini
Sabatini Architects Inc.

cc: Craig Weinaug
Chief Jim McSwain
Mark Bradford
Dave Corliss

Lawrence Fire/Medical No 5
Design Development
Project Cost Summary Sheet
Sabatini Architects/SFS Architects

August 18, 2004

Building Construction: (estimate)	\$4,050,000
Storm Sewer Extension Construction: (estimate) (Contracted directly with owner)	\$22,100
Subtotal	\$4,072,100
Construction Contingency: (5% Building Construction)	\$202,500
Topographic Survey: (Contracted directly with owner)	\$3,500
Soil boring & Concrete Testing: (estimate) (Contracted directly with owner)	\$27,000
Storm Sewer Extension Design Fees: (Contracted directly with owner)	\$3,200
% for Art: (1.8% of original estimate)	\$72,900
Project Furnishings: (estimate) (Includes: Workstations, Offices, Reception, Files, Break area, Dayroom, Station Office, Dining, Bedrooms, Training Room, Conference A&B)	\$200,000
Equipment: (estimate) (Owner supplied and Contractor installed) (Includes: Bunker gear racks, SCBA tank refill, Hose dryer, Hose racks, Washer & Dryer, Refrigerator, Microwave, Exercise equipment not included)	\$60,000
Architectural & Engineering Fees: (Varies w/ Bldg Estimate) (7.7% of Bldg Construction + \$30,000 conceptual design)	\$341,850
Interior Design Fee: (8% of Project Furnishings)	\$16,000
Reimbursables: (printing, etc.)	\$25,000
Total	\$5,024,050

Sabatini Architects Inc.

Date: 27-Dec-04
 Project: Lawrence Douglas County Fire & Medical Station No.5
 Comparison of three low bidders
 Project No: 3140.01

General Contractor	Budget	First Management	Champion Builders	McPherson Contractors	percent deviation (of bidders)
Base Bid	\$ 4,050,000	\$ 4,570,000	\$ 4,649,000	\$ 4,650,000	1.0%
storm sewer connection	\$22,100	(included in base bid)	(included in base bid)	(included in base bid)	
Fabricated modular stone in lieu of cut limestone Alternate No. 2	\$ (40,000)	\$ (77,000)	\$ (23,900)	\$ (44,000)	-34.8%
Total	\$ 4,032,100	\$ 4,493,000	\$ 4,625,100	\$ 4,606,000	1.6%

Possible Alternates

Fabricated modular retaining wall system in lieu of native limestone	Alternate No. 1		\$ 47,000	\$ 20,300	\$ 16,000	35.7%
Bi-folding electric doors in lieu of overhead doors at apparatus bay (east side)	Alternate No. 3		\$ 79,000	\$ 65,800	\$ 68,300	8.9%
Bi-folding electric doors in lieu of overhead doors at apparatus bay (east & west sides)	Alternate No. 4		\$ 157,000	\$ 138,000	\$ 132,600	8.2%
Add skylight to Public Lobby	Alternate No. 5		\$ 29,000	\$ 27,640	\$ 23,600	9.7%
Keep existing north sidewalk in lieu of replacement	Alternate No. 6		\$ (6,400)	\$ (6,000)	\$ (6,000)	-3.6%
Add roof to trash enclosure	Alternate No. 7		\$ 3,400	\$ 7,600	\$ 7,000	66.8%
Install epoxy floor in lieu of stained concrete floor	Alternate No. 8		\$ 13,900	\$ 5,482	\$ 4,000	38.4%
Sod site in lieu of seeding	Alternate No.9		\$ 17,000	\$ 13,489	\$ 14,000	11.2%

Sabatini Architects, Inc.

Date: 7-Dec-04
 Project: Lawrence Douglas County Fire & Medical Station No.5
 Project No: 3140.01

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2

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General Contractor	Budget	B.A. Green Construction	May Construction	First Management	Champion Builders	Senne & Company	McPherson Contractors	Murray & Sons
Base Bid	\$4,050,000	4,870,000		4,570,000	4,649,000		4,650,000	
Landscape/ Sitework	\$321,033							
Alternates								
Retaining Wall No. 1	-\$15,000	+25K 870		+47K	+20.3K +23.3K		+10K	
Prairie Stone No. 2	-\$40,000	-37.590		-77K	-23.9K -24.000		-44K	
Four Fold (east) No. 3		+70.5K		+79K	+65.800		+68.3K	
Four Fold (west) No. 4		+136.8K		+157K	138000		+132.6K	
Skylight No. 5		+24.4K		+29K	27640		23.6K	
North Sidewalk No. 6		-6.6K		-6.4K	-6K		-6K	
Roof @ Trash Encl. No. 7		+5K		+3.4K	+7.6K		+7K	
Epoxy Floor No. 8		+1200		+13.9K	-5,482		+4K	?
Sod No.9		+28,90K		+17,000	+13.489		+14K	
Alternate Total	\$ (55,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unit Prices Included (Yes or No)		✓		✓	✓		✓	
Addenda (4) Received (yes or no)		✓		✓	✓		✓	
Bid Security (if required)		✓		2:12 ✓	✓		✓	
Signature								
Notes								

Sabatini Architects, Inc.

Date: 7-Dec-04
 Project: Lawrence Douglas County Fire & Medical Station No.5
 Project No: 3140.01

General Contractor	Budget	Excel Construction	Feyerherm Construction	Rinner Construction	GSR			
Base Bid	\$4,050,000		4,897,000		5,197,000			
Landscape/ Sitework	\$321,033							
Alternates								
Retaining Wall No. 1	-\$15,000		+18K		+20K			
Prairie Stone No. 2	-\$40,000		-24K		-23.9K			
Four Fold (east) No. 3			+77K		+65.5K			
Four Fold (west) No. 4			+147K		+128K			
Skylight No. 5			+22K		—			
North Sidewalk No. 6			5 7K		-6K			
Roof @ Trash Encl. No. 7			+6K		+5.1K			
Epoxy Floor No. 8			-8.5K		-5.482K			
Sod No. 9			+31K		+13.4K			
Alternate Total	-55,000	0	0	0	0	0	0	0
Unit Prices Included (Yes or No)			✓		✓			
Addenda (4) Received (yes or no)			✓		✓			
Bid Security (if required)			✓	✓	✓			
Signature								
Notes								