

August 09, 2005

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

Re: Lawrence/Douglas County Fire Medical Station No. 4 Project Number 04120.010

Dear Mr. Wildgen,

We received the construction bids for Station No. 4 from five general contractors at 2:00 pm on July 26, 2005. All bids exceeded the construction estimate of \$2,111,240 presented to you June 28, 2005 (attached). The four lowest bids were all within seven percent of one another. The lowest bid of \$2,310,000 was submitted by Champion Builders exceeding the budget by \$198,760 or 9%.

Through discussion with suppliers and subcontractors, we've found that much of the cost increase is due to unanticipated cost of materials and labor. We have identified the majority of the cost differences in these five areas:

- Site Work
- Masonry (concrete block)
- Roofing (insulation & roofing)
- Specialties (lockers & signage)
- Finishes
- Mechanical Systems:

Plumbing

Fire Sprinkler

Heating and Air Conditioning System

Given the closeness of the bids and the simplicity of the construction, Sabatini Architects Inc. and City staff recommends you to accept Champion's bid by waiving the approved architect's estimate. Also, we recommend taking the three deduct alternates

Disposal of rock and unsuitable soils on city/county property - \$20,400

Expanded Polystyrene flat roof insulation in lieu of polyisocyanurate insulation

- \$ 5,360

Expanded Polystyrene nail base insulation at sloped roofs

in lieu of polyisocyanurate insulation

- \$ 3,000

total savings - \$28,760

Accepting the three alternates will result in a contract amount of \$2,281,240, which is 8% over the approved architect's estimate.

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

Respectfully

Dan Sabatini

Sabatini Architects Inc.

cc: Chief Jim McSwain

Mark Bradford Dave Corliss