February 6, 2015 Kearney, Nebraska



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Mayor and City Council City of Lexington P.O. Box 70 Lexington, NE 68850

Re:

Municipal Wastewater Treatment Support Facility

Project No. 127-D1-053

Dear Council Members:

On December 5, 2014 bids were received. As you may recall, the apparent low bid from TL Sund Constructors (\$983,948) was 29% above the Engineer's Opinion of Probable Construction Cost of \$758,300. Since that time, we have been meeting with City Staff and TL Sund Constructors to establish a list of deductive alternates to consider to bring the project within budget.

A proposal has been prepared, which will reduce the project to approximately \$766,826 to date. It is therefore recommended the bids be reviewed and the City award the contract in the amount of \$983,948, based a deductive Change Order No. 1 in the amount of (\$217,122).

Respectfully submitted, MILLER & ASSOCIATES

CONSULTING ENGINEERS, P.C.

Todd D. Boldt, AIA Project Architect

TDB/jh