

October 11, 2005

Fred Surovik
College Station Utilities
P.O. Box 9960
1601 Graham Road
College Station, Texas 77842

Subject: Recommendations for Emergency Electrical Generator Installation Contract, Bid # 05-143

Mr. Surovik:

Malcolm Pirnie has reviewed the bid forms from the bidders; Britt Rice Electric and Bayer Electric for the Emergency Electrical Generators installation. We recommend the City of College award the contract to Britt Rice Electric for this project.

Britt Rice Electric's response meets the requirements of the bid proposal which take no exception to the contract specification or completion time of 210 days. Their bid price of \$1,993,125 for the total project is \$440,620 below the other bidder.

Britt Rice Electric, the lowest bidder, bid price is \$750,125 above the Engineers estimate. We believe this high bid price can be attributed to three primary reasons; 1) the cost of materials has risen sharply recently due to shortages caused by reconstruction of hurricane damage, 2) less than an ideal number of contractors bidding on the project prevented a more competitive bid and 3) an under estimate we made on the contingencies the contractor included for interfacing with existing facilities.

We do not believe the material cost nor will the competitive environment improve in the near future. We, therefore, feel re-bidding is unlikely to produce a lower bid unless the scope is drastically altered.

Please contact us if you have any questions or require any additional information.

Very truly yours,



James Landgraf, P. E.

cc: Cynthia Sciuilli, COCS
Robert McCollum, MPI