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July 18, 2023

City of Killeen Lorianne Luciano 802 N. 2<sup>nd</sup> Street, Building E, Room 215 Killeen, Texas 76541

Re: Bid No. 23-28 – Trimmier Road/10<sup>th</sup> Street at Hallmark Avenue Drainage Improvements

To Whom it May Concern,

On June 3rd, we received three (3) bids for the Trimmier Road/10<sup>th</sup> Street at Hallmark Avenue Drainage Improvements Project. We have reviewed each bid for accuracy and completeness. TTG Utilities, Inc. submitted a Base Bid totaling \$1,254,452.00 making them the apparent low bidder. *Please refer to the enclosed Bid Tabulation Sheet and Bid Schedule Breakout for detailed information.* 

The engineer's project estimate for the Trimmier Road/10<sup>th</sup> Street at Hallmark Avenue Drainage Improvements Project was \$632,158.00. All three bids came in over the engineer's project estimate. It is our opinion that this cost overrun is due to continual increases in labor and material costs, material shortages, and the contractor's attempt to compensate for price volatility with their bid numbers.

We are recommending that the City of Killeen reject all bids for the Trimmier Road/10<sup>th</sup> Street at Hallmark Avenue Drainage Improvements Project until a time that material costs have stabilized.

Respectfully,

Monty Clark, P.E., CPESC