

**TURNER ENGINEERING INC.**  
CONSULTING CIVIL ENGINEERING

April 10, 2015

**Paul W. Turner, P.E. CFM**  
**Michael D. Kearly, P.E. CFM**

City of Flagstaff  
Utilities Department  
Mr. Ryan Roberts, P.E. CEM, Utilities Engineer  
211 West Aspen Avenue  
Flagstaff, Arizona 86001

RE: West Route 66 Water Transmission Main

Dear Mr. Roberts,

Pursuant to your request we have compiled the construction costs and fees associated with the completed improvement of the Transmission Main. The following is a summary of those costs and the allocation of costs pursuant to the agreement Dated March 14, 2014 between the City and W.L. Gore & Associates, Inc. and is attached for reference.

Final Construction Cost from T & T Construction was \$1,184,075.40 for the entire project. Per the agreement, the total construction cost for the upsized pipes (12" & 18") as constructed project shall be compared to the bid cost for an 8" main needed by Gore. The agreement states in Item 6d. " The cost for the 8" Water Main, otherwise required by W.L. Gore, will be the lowest bid from among the three lowest qualified bidders for the 12" & 18" Water Main as determined above in 6b. For completeness 6b. States, " The City and W.L. Gore will review the bids submitted to determine the three low qualified bidders for the 12" & 18" Water Main.

Qualified Bidders	Original Bid Amount	
	12" & 18"	8"
T&T Construction, Inc. Eagle Mountain Construction	\$1,114,044.60	\$901,586.60
Hunter Constructing Co.	\$1,147,829.30	\$874,930.45
	\$1,212,341.00	\$996,350.00

Low Bid	\$1,114,044.60	\$874,930.45
<i>Net Difference per Original Bid</i>		<i>\$239,114.15</i>

The actual final construction cost was \$1,184,075.40. This will be reduced by the lowest of the three qualified bidders in the amount of \$874,930.45. For a net difference of \$309,144.95. This is the amount to be reimbursed to W.L. Gore for the Construction Contract with T & T Construction.

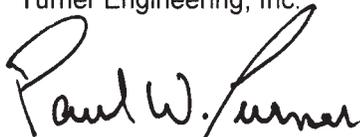
Furthermore, other costs associated with the Project are Engineering, Inspection, Testing, ADEQ fee, and Coconino permit fee. It is understood those costs will allocated by dividing them in half.

Engineering & CM Fees	\$ 61,637.01
COF Inspection Fee	\$ 18,760.00
COF Testing Fee	\$ 15,694.16
Coconino Co. Permit Fee	<u>\$ 300.00</u>
Total Fees Paid by W.L. Gore	\$ 96,391.17
Reimbursement by City (1/2)	\$ 48,195.58
ADEQ fee	\$1,800.00 This was paid in total by COF
Deduct ½ of ADEQ fee	\$(900.00)
Total Reimbursement of Fees	\$ 47,295.58

The total reimbursement contains the construction allocation above and one half of the fees paid:

Construction Reimbursement	\$309,144.95
Summary of ½ fees Reimbursement	<u>\$ 47,295.58</u>
Total Reimbursement to W.L. Gore	<u>\$356,440.53</u>

Sincerely,  
Turner Engineering, Inc.



Paul W. Turner, P.E., CFM  
President



Attachments:  
March 14, 2014 Agreement for Reimbursement  
Final Pay Request from T & T