

MEMORANDUM

To: DARB, Ted Vore

From: George Dunham

Re: Consulting Contract referred to the DARB by the PW committee

Date: 10/19/04

The Public Works Committee at their last meeting referred a proposed consulting Engineering contract to the DARB. Attached is a copy of the recently adopted "Technical Consultant Selection Process." That policy has an oversight committee provided for, but that committee has not yet been appointed, so the PW committee asked the DARB to review the proposed contract because they felt that the process might not have been followed for the proposed contract.

A copy of the proposed contract is also attached.

If you review the policy you will quickly see that any consultant contract with a value greater than \$10,000 use the defined selection process unless the work needed is so specialized that only one firm has the capability to perform the required work. In the case in question, the proposed contract is for \$22, 590, clearly over the threshold.

An e-mail, which I am separately forwarding to you, from Mr. Vore suggests that the work is specialized; but I question that assessment. The work described is a series of small tasks, which, in my opinion, could easily be performed by nearly Civil Engineering firm in Rapid City.

Mr. Vore also suggests that the Engineer is willing to do "300 hours of work, but will request pay for only 250 hours." Not only does that seem to be a bad precedent to set, but it seems improbable to me when the contract is hourly, the Engineer can move hours from one category to another, and the hourly rate charged is very high. The rate is high because the contract provides that the City will furnish all manner of office space, computer use, drafting and clerical support. In fact, the hourly rate, which normally includes all overhead and profit, is being paid for personal time only.

I trust that Mr. Vore will respond to these questions before the DARB meeting, because the proposed contract seems to violate the policy. If the DARB finds that to be the case, then we must recommend to the Council that the contract not be awarded.