



MEMO

Date: October 23, 2006

To: Stacey Titus, PE

From: Curt Huus

Subject: Red Rock Reservoir – Exception to Standard Specification 7.40

Stacey,

We feel that it is necessary to reduce the requirement, stated in the City of Rapid City Standard Specifications, Section 7, General Conditions, Paragraph 7.40 entitled “Subletting of Contract,” that the Contractor must perform 50 percent of the work on the contract. Because the Red Rock Reservoir Project will mainly consist of constructing a 3.5 million gallon tank (probably post-tensioned), none of the local Contractors can perform that portion of the work. Therefore, in order for them to bid we are requesting that this percentage be reduced to perhaps 20 percent or waived completely.

This will allow for local contractors to bid the other portions of the reservoir project in order to keep at least some of the construction work locally. Otherwise, the reservoir contractor (most likely from out of state) might use their own personnel to complete work that local contractors are capable of completing.