



April 13, 2011

Mr. Dan Coon, P.E.
Project Manager
City of Rapid City
300 Sixth Street
Rapid City, SD 57701-5035

Re: Correspondence with Graham Construction Services, Inc.

Dear Dan:

As you requested during our telephone call yesterday, the following is a chronological account of my correspondence regarding Graham Construction Services, Inc. (Graham) following the receipt of bids for the Jackson Springs Water Treatment Plant. Several of my conversations with Graham were via telephone and this represents my recollection of the timing and subject matter of those calls.

Tuesday March 22, 2011 – Bids open 2:00pm.

Wednesday March 23, 2011 – I received the copies you sent of each bid received by the City.

Thursday March 24, 2011 – I began my review of Graham's Contractor Qualification Statement. The need for additional clarification became evident. You and I discussed whether or not it was appropriate to ask for clarifications and/or additional information from Graham as I had done with other contractor's qualification statements prior to the bid opening. You indicated we should extend them the same courtesy we offered others prior to the bid opening.

Thursday March 24, 2011 (late afternoon) – I contacted Dave Lenss of Graham and asked him to provide more detailed project experience for both their project manager (Aaron Nelson) and superintendent (Rick Nuss). I explained the basis of my request was to determine conformance with paragraph 2.a.1-3.

Friday March 25, 2011 – Dave Lenss emailed me a letter providing the additional project descriptions I asked for.

Friday March 25, 2011 – I began contacting the project references provided by Graham in their qualification statement. There appeared to be a problem with the telephone number supplied for their largest membrane project. I also learned that their smaller membrane project and one of the projects greater than \$10 million in value are still under construction. I called Mr. Lenss to get the correct telephone number and notify them that their second membrane project and one of the projects greater than \$10 million did not meet the minimum qualifications. I asked if they had other projects they would like to substitute. Mr. Lenss indicated he would get back to me.



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Monday March 28, 2011 – Mr. Lenss emailed me a letter (attached) re-stating that Graham felt the two membrane projects they cited met the minimum requirements.

Monday March 28, 2011 – I called Mr. Lenss and informed him that despite his letter a second membrane project meeting the minimum requirements would be required.

Monday March 28, 2011 – Mr. Lenss and Mark Fisher (also with Graham) called me back to inquire if a teaming arrangement with Herschell Environmental (Herschell) would satisfy the minimum requirements. I told him that other contractors had previously been approved based on their teaming arrangements with Herschell.

Tuesday March 29, 2011- Mr. Fisher emailed me indicating their intent to team with Herschell and provided a resume for their membrane specialist (Ron Maness). The email also included a revised list of projects greater than \$10 million.

Tuesday March 29, 2011 – I replied to Mr. Fisher’s email indicating that paragraph 2. d. (2) of the qualification statement requires a statement signed by both parties to the teaming arrangement.

Wednesday March 30, 2011 – Mr. Fisher emailed me a letter signed by Mr. Lenss and Judith Herschell committing to their teaming arrangement.

This letter is addressed to me and begins “As you requested, ...”. I understand that this statement has been taken out of context and it has been implied that the bid process was compromised by a request that Graham team with Herschell. I can assure you that Graham arrived at that decision independently and that our request was only for the statement signed by both parties as required by the bid documents. I believe the attached email clarifies this point.



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If you have any additional questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Anthony C. Beeson". The signature is written in a cursive style.

Anthony C. Beeson, P.E.
Project Manager

ACB/acb

Attachment
cc: Mark Lichtwardt, P.E. Burns & McDonnell

Beeson, Anthony

From: Beeson, Anthony
Sent: Tuesday, March 29, 2011 3:20 PM
To: 'Mark Fisher'
Subject: RE: Jackson Springs WTP- Qualifications

Mark,

I hate to do this to you one more time, but can you include a letter indicating your intent to add Herschell Env to the project team, signed by Graham and Herschell. Its described in paragraph 2. D.(2) of the quals statement and we've required it of other teams, so I hope it isn't too much trouble.

Thanks
Anthony

Anthony Beeson, PE
Project Manager, Infrastructure Group
Burns & McDonnell
9785 Maroon Circle
Suite 400
Centennial, Colorado 80112
Direct: 303-474-2226
Main: 303-721-9292
Fax: 303-721-0563
www.burnsmcd.com

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From: Mark Fisher [<mailto:markfi@grahamus.com>]
Sent: Tuesday, March 29, 2011 2:34 PM
To: Beeson, Anthony
Cc: Dave Lenss
Subject: Jackson Springs WTP- Qualifications

Anthony-

Per you conversation with Dave Lenss, Graham proposes to add Herschell Environmental to our project team. Attached please find the resume of the firm, as well as Ron Maness, the proposed individual with Hershell. The last page of our attachment contains the revised project you requested. We trust that this information will complete the pre-qualification. Please call Dave or I with any further questions.

Mark A. Fisher, PE
Senior Project Manager

GRAHAM
Your Construction Solutions Partner

Direct: 651.789.4603 | Phone: 651.687.0648 | Fax: 651.687.0947
2995 Lone Oak Circle | Suite 1 | Eagan, MN 55121
www.grahamus.com | markfi@grahamus.com

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