



CITY OF RAPID CITY  
RAPID CITY, SOUTH DAKOTA

**JACKSON SPRINGS WATER TREATMENT PLANT  
PROJECT NO. WTP10-1858 / CIP NO. 50789**

**BID OPENING DATE & TIME  
March 22, 2011  
2:00 P.M.**

**CITY OF RAPID CITY  
PROJECT MANAGER**

Dan Coon, P.E.

**CONSULTANT**

**BURNS AND MCDONNELL ENGINEERING CO.**

**Mark Lichtwardt, PE – Project Manager**

Volume I of II



## Table of Contents

<u>Item 1:</u>	Jackson Springs Water Treatment Plant Bid Timeline
<u>Item 2:</u>	Council Minutes, 6 Dec. 2010, Authorized Construction Phase Services
<u>Item 3:</u>	Original Bidder Qualification Requirements Pre Add. #1
<u>Item 4:</u>	E-mail Notice of Jackson Springs Pre-Qualification Meeting
<u>Item 5:</u>	E-mail including Revised Qualification Specification
<u>Item 6:</u>	Brad Kurtz E-mail Protesting Revised Specification
<u>Item 7:</u>	Addendum #1, Official Revisions
<u>Item 8:</u>	City E-mail Informing Gustafson Builders/John T. Jones of Qualification
<u>Item 9:</u>	Pre-Bid Conference Agenda: Note Agenda Item #13 b.
<u>Item 10:</u>	Bid Results as Read
<u>Item 11:</u>	Bid Award Summary
<u>Item 12:</u>	Excerpt from Membrane Filtration System Spec 11012, 3.04, B.
<u>Item 13:</u>	Note on the Council Meeting, 4 April 2011
<u>Item 14:</u>	Gustafson Builders Legal Letter of Protest

# Item 1

### Jackson Springs Bid Timeline

<u>Event:</u>	<u>Date:</u>
Construction Phase Services Agreement With Burns & McDonnell Engineering Company Authorized	6 December 2010
Certification Date	7 January 2011
Notice for Bids, Jackson Springs Water Treatment Plant Project No. WTP10-1858/CIP No. 50789	7 January 2011
Notice Email, Jackson Springs City Pre-Qualification Meeting	14 January 2011
Jackson Springs City Pre-Qualification Meeting Attendance: Mayor Alan Hanks Dan Coon Robert Ellis Dale Tech Dean Kurtz Construction, Brad Kurtz Quinn Construction, Dan Michael J Scull Construction, Andy Scull Gustafson Builders, Bob Heibult RCS Construction, Jim Witte	17 January 2011, 2:00 P.M.
First Revision to Qualifications Emailed to Bidders	24 January 2011
Addendum #1 Posted	28 January 2011
Addendum #2 Posted	8 February 2011
Addendum #3 Posted	4 March 2011
Addendum #4 Posted	14 March 2011
Addendum #5 Posted	18 March 2011
Bid Opening Date	22 March 2011, 2:00 P.M.

## Item 2

## CITY COUNCIL

DECEMBER 6, 2010

38. No. PW113010-23 – Authorize Mayor and Finance Officer to Sign a Covenant Agreement Between City of Rapid City and McCarthy Properties, LLC to allow the continued use of a sub-grade encroachment into the adjacent public right of way. Downtown Improvement Project – 6<sup>th</sup> Street from Kansas City Street to Omaha Street, Project No. ST10-1817 / CIP No. 50138.
39. No. PW113010-24 – Authorize Mayor and Finance Officer to Sign a Right of Way Certificate, Letting Authorization, and Utilities Certificate with the SD Department of Transportation for Anamosa Street Reconstruction, Phase 2, Haines to Midway, State Project No. P1648(3), PCN H021, City Project No. ST07-1472 / CIP No. 50519.
40. No. PW113010-25 – Authorize Mayor and Finance Officer to Sign a Professional Services Agreement with Burns & McDonnell Engineering Company for Construction Phase Services for the Jackson Springs Water Treatment Plant, Project No. WTP10-1858 / CIP No. 50789, in the amount of \$1,908,500.00.
41. No. PW113010-26 – Authorize acceptance of an H Lot and Quit Claim Deed for the following described property: Lot H1 located in the North Half of the Northwest Quarter (N1/2NW1/4) of Section Sixteen (16), Township One North (T1N), Range Seven East (R7E) of the Black Hills Meridian, Rapid City, Pennington County, South Dakota, containing 0.033 acres, more or less. Heights Drive Sanitary Sewer Extension, Project No. SS09-1831 / CIP No. 50777..
42. No. PW113010-27 – Approve Construction Fee Resolution #2010-164 for 9<sup>th</sup> Street Watermain Construction, Project No. W10-1885.

RESOLUTION #2010-164  
CONSTRUCTION FEE RESOLUTION FOR 9th STREET WATER MAIN  
PROJECT NO. W10-1885

WHEREAS, SDCL 9-47-16 and Section 13.04.095 of the Rapid City Municipal Code (RCMC) authorize the City Council to require properties benefited by the construction of water pipes or mains to pay their proportionate share of the cost to construct such water pipe or main prior to being allowed to connect to the City's water utility; and

WHEREAS, an 8" water main was extended in 9<sup>th</sup> Street per City Project No. W10-1885 and

WHEREAS, the total cost of constructing this water main was \$17,162.43; and

WHEREAS, the City's engineering staff had identified the total area that will benefit from construction of this water main, as shown on Exhibit A, which has been attached hereto and incorporated herein; and

WHEREAS, the City's Public Works Director is recommending the cost to construct this water main be paid by the properties which will benefit from its construction prior to such properties being served by the City's water utility; and

WHEREAS, the City's Public Works Director is recommending the construction fees to be the benefiting area shown on Exhibit A be apportioned based on the benefits that accrue to such property, and as such, should be established on a per-property basis; and

WHEREAS, the City Council, having considered the recommendation of the City's Public Works Director and having made such investigation as it finds necessary, determines that it is in the best interests of the City and its water utility that the owners of properties within the benefiting area should pay their proportionate share of the cost to construct this project on a per property basis.

## Item 3

SECTION 00810 – SUPPLEMENTARY CONDITIONS: continued

lack of electronic equipment compliance in their own operations, systems, or processes used to provide or deliver equipment, material, work, or services.

ARTICLE 8 – SUPPLEMENTARY INSTRUCTIONS TO BIDDERS

## 8.01 Qualification of Bidders and Sub-Contractors

A. Prequalification statements are not required. The work shall be furnished by a Contractor who shall assume responsibility for the satisfactory performance of the entire plant. The apparent low bidder will be thoroughly evaluated as to capability to execute the Work required on this project within the time frame allotted. To be considered a responsive Bid the apparent low Bidder shall submit to Owner, within three (3) days after the bid opening, information demonstrating the minimum qualifications for each evaluation criteria. Failure to submit, or meet the minimum qualifications will result in the Bid being considered not responsive and dismissed. Evaluation criteria considered will include:

1. Financial responsibility. The apparent low bidder shall meet the following minimum criteria:
  - a. The Contractor shall have been in business, under the same corporate name, for a minimum of eight (8) years performing work on water treatment projects as the Prime Contractor.
  - b. The Contractor shall be able to provide a payment and performance bond as required by the contract documents.
2. Experience and performance records on similar work. The apparent low bidder must meet the following minimum criteria:
  - a. Provide references for at least five (5) projects that can confirm construction or installation of the following elements were performed or coordinated by personnel directly employed by the Contractor as the Prime Contractor
    - (1) Construction of water containing structures.
    - (2) Installation of blowers, pumps, piping and valving, chemical feed systems and storage tanks.
    - (3) Performed start-up and commissioning; and provided operating instructions and maintenance training.
  - b. The Contractor shall provide documentation through references that the Contractor, as the Prime Contractor, has successfully completed at least two (2) water



SECTION 00810 – SUPPLEMENTARY CONDITIONS: continued

treatment plant construction projects utilizing submerged membrane filtration systems in the last eight (8) years. At least one (1) of these water treatment plant projects shall have been for a plant equal to or in excess of eight million gallons per day (8MGD) capacity.

- c. The Contractor's project manager and superintendent shall be experienced in the construction of water treatment facilities. Specific experience conforming to the requirements of paragraphs 2.a and 2.b above shall be demonstrated in resumes for these individuals.
  - d. The Contractor's project staff shall also include a specialist experienced in the installation of submerged membrane filtration systems. This specialist shall be assigned to the Project during all membrane related activities including but not limited to membrane delivery/acceptance, installation, start-up and testing. Specific experience conforming to the requirements of paragraph 2.b above shall be demonstrated in a resume for this individual.
  - e. Provide resumes for proposed key project staff including project manager, superintendent, and specialist. Contractor shall attain written approval of the Owner prior to changing proposed Project Manager, Superintendent, or Specialist. Project Manager, Superintendent, and Specialist resumes shall include references from owners and consulting engineers. Include an organization chart of key project staff and detail availability of each staff assigned.
3. Evidence of Bidder to do business in the state where the Project is located, or covenant to obtain such qualifications prior to award of the Contract.
  4. For the purpose of this qualification section Contractor or Prime Contractor shall mean the individual, partnership, firm, corporation, or joint venture contracting with the owner, end user, or contracting authority and being held responsible for performance of the prescribed work covered by the specific project contract.
  5. For the purpose of this qualification section references shall include a representative of the project owner, end user, or contracting agency who was directly involved in construction of the submitted project. Reference information shall include name, title, address and telephone number.
- B. Subcontractors listed on the apparent low Bidder's Bid Form shall have State of South Dakota and City of Rapid City licenses as required. It is the Contractor's responsibility to ensure the

## Item 4

**Bob Heibult**

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**From:** Stephen Burgess [burgess@deankurtzconstruction.com]  
**Sent:** Friday, January 14, 2011 3:14 PM  
**To:** 'ascull@scullconst.com'; 'Dan Michael'; Bob Heibult  
**Cc:** Brad Kurtz; David Gustafson  
**Subject:** Jackson Springs

The City has scheduled a meeting to discuss the pre-qualifications for the Jackson Springs project for Monday 1-17-11 at 2:00 in the 2nd floor engineering conference room. Please try to have a representative attend this meeting, I think our odds of getting this changed so the local contractors can participate are greater if we have some numbers present. Dan Coon said that the room is not very large so not to extend the invite beyond five or six. The mayor will also be present at this meeting.

thanks, Steve

**Stephen F. Burgess, Vice President**  
[burgess@deankurtzconstruction.com](mailto:burgess@deankurtzconstruction.com)  
DEAN KURTZ CONSTRUCTION CO.  
1651 Rand Road  
Rapid City, SD 57702  
P: (605) 343-6665  
F: (605) 343-5932

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## Item 5

**Bob Heibult**

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**From:** Coon Dan [Dan.Coon@rcgov.org]  
**Sent:** Monday, January 24, 2011 1:05 PM  
**To:** Dan Michael; Bob Heibult; ascull@scullconst.com; Derek Suhr; jim@rcsconst.com; brad@deankurtzconstruction.com  
**Cc:** Ellis Robert; Tech Dale; Hanks Alan; Beeson, Anthony  
**Subject:** JSWTP Qualifications  
**Attachments:** ARTICLE 8 Contractor Qualification Rev.pdf

Gentlemen,

Attached please find a revised qualification specification for the City of Rapid City's (City) Jackson Springs Water Treatment Plant (JSWTP) project. The City believes these revised qualifications incorporate the comments received at our meeting of January 17, 2011. Please note:

- The City will develop a Contractor's Qualification Statement form based on the final qualification specification revisions. The City will distribute the revised specification section and the Contractor's Qualification Statement form through an Addendum as soon as possible.
- It is the City project team's intent to reduce the amount of work to be performed by the Contractor's organization from 50%, as required in Section 7 Paragraph 7.40 of the specifications, to 35%. This revision requires City Council approval. The next scheduled City Council meeting is February 7, 2011. If approved this specification revision will also be noted in an addendum.
- The City is considering changing the date of the Pre-bid meeting from February 23, 2011 to the week of February 28, 2011. The meeting date and time will be dependent on the availability of project team members and a meeting room. If this date is changed it will also be noted in one of the forthcoming addendums.

If you have comments or questions on the attached or above or you feel a meeting is required to further discuss these revisions please contact me.

Dan Coon  
City of Rapid City  
300 Sixth Street  
Rapid City, SD  
(605) 394-4154

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ARTICLE 8 – SUPPLEMENTARY INSTRUCTIONS TO BIDDERS

## 8.01 Qualification of Bidders and Sub-Contractors

- A. The work shall be furnished by a Contractor who shall assume responsibility for the satisfactory performance of the entire plant and who must meet the minimum criteria listed below. Qualification statements are required. A Contractor must submit a completed Contractor's Qualification Statement. Contractors are encouraged to submit a completed Contractor's Qualification Statement as soon as possible. A Contractor's Qualification Statement will be accepted up until the stated time of bid opening. Contractors who submit a Contractor's Qualification Statement up to 7 days prior to the date of bid opening will be informed of the determination of their qualifications prior to the date of the bid opening. Contractors who submit a Contractor's Qualification Statement after this time shall be informed of the determination after the date and time of bid opening. Evaluation criteria considered will include:
1. Financial responsibility. The Contractor shall meet the following minimum criteria:
    - a. The Contractor shall have been in business, under the same corporate name, for a minimum of five years. The Contractor shall have completed a minimum of three (3) projects with a contract amount greater than or equal to \$10,000,000.00 for each project. For Joint Ventures formed for the purpose of constructing this project at least one of the primary firms in the joint venture must meet these requirements.
    - b. The Contractor shall be able to provide a payment and performance bond as required by the contract documents.
    - c. The Contractor shall be able to provide the insurance coverage as required by the contract documents.
  2. Experience and performance records on similar work. The Contractor must meet the following minimum criteria:
    - a. Provide resumes documenting that each of the following elements was performed or coordinated by the Contractor's proposed project manager or superintendent while in the Contractor's direct employ.
      - (1) Successful construction of at least three (3) water containing structures.
      - (2) Successful installation of blowers, pumps, piping and valving, chemical feed systems and storage tanks on at least three (3) projects.
      - (3) Performed start-up and commissioning; and provided operating instructions and maintenance training on at least three (3) projects.

- b. The Contractor shall provide documentation through references that the Contractor, as the Prime Contractor, has successfully completed at least two (2) water treatment plant construction projects utilizing submerged membrane filtration systems in the last eight (8) years. At least one (1) of these water treatment plant projects shall have been for a plant equal to or in excess of four million gallons per day (4MGD) capacity.
        - c. The Contractor's project staff shall also include a specialist experienced in the installation of submerged membrane filtration systems. This specialist shall be assigned to the Project during all installation, testing and start-up activities related to all the equipment provided by Zenon Environmental Corporation. Specific experience conforming to the requirements of paragraph 2.b above shall be demonstrated in a resume for this individual.
        - d. Contractor shall attain written approval from the Owner prior to changing proposed Project Manager, Superintendent, or Specialist. Include an organization chart of key project staff and detail availability of each staff assigned.
3. Evidence of Contractor to do business in the state where the Project is located, or covenant to obtain such qualifications prior to award of the Contract.
4. For the purpose of this qualification section Contractor or Prime Contractor shall mean the individual, partnership, firm, corporation, or joint venture contracting with the owner, end user, or contracting authority and being held responsible for performance of the prescribed work covered by the specific project contract.
5. The Contractor may meet the experience requirement of 8.01.A.2.b above and the membrane specialist qualification requirements of 8.01A.2.c above by providing documentation of a contractual obligation with a firm or individual who meets the above qualification requirements prior to award of the contract. This contractual obligation(s) must require both parties to provide the named qualified individuals for the entire duration of the project. If the membrane specialist is provided under a contractual obligation the contract must state the identified membrane specialist is in responsible charge of all installation, testing and start-up activities related to all the equipment provided by Zenon Environmental Corporation.
6. For the purpose of this qualification section references shall include a representative of the project owner, end user, or contracting agency who was directly involved in construction of the submitted project. Reference information shall include name, title, address and telephone number.

## Item 6



**Bob Heibult**

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**From:** Brad Kurtz [brad@deankurtzconstruction.com]  
**Sent:** Monday, January 24, 2011 2:29 PM  
**To:** Coon Dan; Dan Michael; Bob Heibult; ascull@scullconst.com; Derek Suhr; jim@rcsconst.com  
**Cc:** Ellis Robert; Tech Dale; Hanks Alan; Beeson, Anthony  
**Subject:** RE: JSWTP Qualifications

Dan, Thank you for providing a copy of the revised specification. We still find the requirement for the prime contractor to have built 2 water treatment plants which utilize the submerged membrane filtration system within the last 8 years to be overly restrictive. I doubt that any Rapid City firms meet that requirement even though any of the firms which were present at the meeting last week with the City have the expertise to build that plant. It is reasonable for the city to require the contractor to have a technical representative on site at all times while the membrane work is being done. We just feel the requirement to have 2 plants in the last 8 years will really limit local participation.

Sincerely,

**Bradley D Kurtz**

President  
 Dean Kurtz Construction Co  
 Ph: 605-343-6665  
 Cell: 605-209-4180

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**From:** Coon Dan [mailto:Dan.Coon@rcgov.org]  
**Sent:** Monday, January 24, 2011 1:05 PM  
**To:** Dan Michael; Bob Heibult; ascull@scullconst.com; Derek Suhr; jim@rcsconst.com; Brad Kurtz  
**Cc:** Ellis Robert; Tech Dale; Hanks Alan; Beeson, Anthony  
**Subject:** JSWTP Qualifications

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- It is the City project team's intent to reduce the amount of work to be performed by the Contractor's organization from 50%, as required in Section 7 Paragraph 7.40 of the specifications, to 35%. This revision requires City Council approval. The next scheduled City Council meeting is February 7, 2011. If approved this specification revision will also be noted in an addendum.
- The City is considering changing the date of the Pre-bid meeting from February 23, 2011 to the week of February 28, 2011. The meeting date and time will be dependent on the availability of project team members and a meeting room. If this date is changed it will also be noted in one of the forthcoming addendums.

If you have comments or questions on the attached or above or you feel a meeting is required to further discuss these revisions please contact me.

Dan Coon

City of Rapid City  
300 Sixth Street  
Rapid City, SD  
(605) 394-4154

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## Item 7

ADDENDUM NO. 1

City of Rapid City  
Jackson Springs Water Treatment Plant  
Project No. W10-1858/CIP No. 50789

To: All Plan Holders  
\_\_\_\_\_  
\_\_\_\_\_

Date: January 28, 2011

This Addendum will form a part of the Contract described above. The original Contract Documents and any prior addenda remain in full force and effect, except as modified by the following, which shall take precedence over any contrary provisions in the prior documents.

**SPECIFICATIONS**

1. SECTION 2, page 2.3 paragraph 2.6: Delete " be prepared to submit, within three (3) days of Owner's request, written evidence of data" and replace with "submit the Contractor's Qualification Statement"
2. SECTION 4, Special Bid Conditions and Explanation of Bid Schedules, paragraph a: Add "vi. Contractor's Qualification Statement (if not previously submitted)."
3. SECTION 4, Special Bid Conditions and Explanation of Bid Schedules; Delete paragraph b in its entirety.
4. SECTION 00810, page 00810-6, paragraph 8.01 .A and B; Delete paragraphs A and B in their entirety and replace with the following:

A. The work shall be furnished by a Contractor who shall assume responsibility for the satisfactory performance of the entire plant and who must meet the minimum criteria listed below. Qualification statements are required. A Contractor must submit a completed Contractor's Qualification Statement. Contractors are encouraged to submit a completed Contractor's Qualification Statement as soon as possible. A Contractor's Qualification Statement will be accepted up until the stated time of bid opening. Contractors who submit a Contractor's Qualification Statement up to 7 days prior to the date of bid opening will be informed of the determination of their qualifications prior to the date of the bid opening. Contractors who submit a Contractor's Qualification Statement after this time shall be informed of the determination after the date and time of bid opening. Evaluation criteria considered will include:

1. Financial responsibility. The Contractor shall meet the following minimum criteria:
  - a. The Contractor shall have been in business, under the same corporate name, for a minimum of five years. The Contractor shall have completed a minimum of three

(3) projects with a contract amount greater than or equal to \$10,000,000.00 for each project. For Joint Ventures formed for the purpose of constructing this project at least one of the primary firms in the joint venture must meet these requirements.

- b. The Contractor shall be able to provide a payment and performance bond as required by the contract documents. - *Gustafson Builders*
- c. The Contractor shall be able to provide the insurance coverage as required by the contract documents. *Gustafson Builders*

2. Experience and performance records on similar work. The Contractor must meet the following minimum criteria:

a. Provide resumes documenting that each of the following elements was performed or coordinated by the Contractor's proposed project manager or superintendent while in the Contractor's direct employ.

- (1) Successful construction of at least three (3) water containing structures.
- (2) Successful installation of blowers, pumps, piping and valving, chemical feed systems and storage tanks on at least three (3) projects.
- (3) Performed start-up and commissioning; and provided operating instructions and maintenance training on at least three (3) projects.

b. The Contractor shall provide documentation through references that the Contractor, as the Prime Contractor, has successfully completed at least two (2) water treatment plant construction projects utilizing submerged membrane filtration systems. At least one (1) of these water treatment plant projects shall have been for a plant equal to or in excess of four million gallons per day (4MGD) capacity.

c. The Contractor's project staff shall also include a specialist experienced in the installation of submerged membrane filtration systems. This specialist shall be available as a project resource for the duration of the project and shall be on the Project site during all installation, testing and start-up activities related to all the equipment provided by Zenon Environmental Corporation. Specific experience conforming to the requirements of paragraph 2.b above shall be demonstrated in a resume for this individual.

d. Contractor shall attain written approval from the Owner prior to changing proposed Project Manager, Superintendent, or Specialist.



3. The Contractor may meet the experience requirement of 8.01.A.2.b above and the membrane specialist qualification requirement of 8.01A.2.c above by providing documentation of a contractual obligation with a firm or individual who meets the above qualification requirements prior to award of the contract. This contractual obligation must

require both parties to have as a project resource for the duration of the project the named qualified individual and to provide on the project site the named qualified individual during all installation, testing and start-up activities related to all the equipment provided by Zenon Environmental Corporation. If the membrane specialist is provided under a contractual obligation the contract must state the identified membrane specialist is in responsible charge of all installation, testing and start-up activities related to all the equipment provided by Zenon Environmental Corporation.

4. Evidence of Contractor to do business in the state where the Project is located, or covenant to obtain such qualifications prior to award of the Contract. *Gustafson Builders*
  5. For the purpose of this qualification section Contractor or Prime Contractor shall mean the individual, partnership, firm, corporation, or joint venture contracting with the owner, end user, or contracting authority and being held responsible for performance of the prescribed work covered by the specific project contract.
  6. For the purpose of this qualification section references shall include a representative of the project owner, end user, or contracting agency who was directly involved in construction of the submitted project. Reference information shall include name, title, address and telephone number.
- B. Subcontractors listed on the Contractor's Bid Form and those providing services on the project shall have State of South Dakota and City of Rapid City licenses as required. It is the Contractor's responsibility to ensure the Contractor, sub-contractors, and all firms or individuals providing services on the project are properly licensed and are capable of performing the work assigned.
5. Following SECTION 00810, add the attached "Contractor's Qualification Statement"
  6. SECTION 09900, add the attached Protective Coating System D-1 following page 09900-6.
  7. SECTION 11212, page 11212-2, 2.01.A.1: Delete "Aurora."
  8. SECTION 11212, page 11212-6, 2.02.E.4.a: Replace "be coupled to a vertical solid shaft driver using a spacer type coupling" with "be connected using a shaft coupling above the stuffing box"
  9. SECTION 11212, page 11212-7, 2.02.E.5.d: Replace "bronze bowl or impellor wear rings" with "bronze bowl and impellor wear rings"

**DRAWINGS**

- I. Drawing D008, item number 40, tag JS-HV-2303; Change size from 6-inch to 4-inch.

This Addendum must be acknowledged on the Bid Form submitted to the City of Rapid City or the Bid may be rejected.

## Item 8





# CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701

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Public Works Department  
**Engineering Services Division**

300 Sixth Street

Telephone: (605) 394-4154 FAX: (605) 355-3083

Web: [www.rcgov.org](http://www.rcgov.org)

March 17, 2011

Mr. David Gustafson  
Heavy Constructors, Inc.  
PO Box 3239  
Rapid City, SD 57709

Re: Contractor Qualification Statement  
City of Rapid City, South Dakota  
Jackson Springs Water Treatment Plant

Dear Mr. Gustafson:

Thank you for revising and resubmitting your firm's qualifications for the Jackson Springs Water Treatment Plant project. We are pleased to inform you that the joint venture between Heavy Constructors and John T. Jones Construction meets the minimum qualification requirements for the project.

As a reminder, the project bid date is set for March 22, 2011. Bids are due at the City of Rapid City Finance Office, 300 Sixth Street, Rapid City, SD 57701 by 2:00PM.

Once again, thank you for resubmitting your qualification statement. We look forward to the possibility of working with your joint venture on this project.

Sincerely,

Dan Coon, P.E.  
Project Manager  
City of Rapid City, SD

Anthony C. Beeson, P.E.  
Project Manager  
Burns & McDonnell Engineering Co.

DC:ACB/acb



## Item 9



**City of Rapid City  
Jackson Spring Water Treatment Plant  
Project No. WTP10-1858 / CIP No. 50789**

**PRE-BID CONFERENCE AGENDA**

February 22, 2011 - 9:00 a.m.

Council Chambers

City School Administration Center

300 Sixth Street

Rapid City, SD 57701

1. **Attendance Sheet** – Please fill in and make sure to include legible email address and phone number.
2. **Introductions**
  - a. City of Rapid City
    - i. Dan Coon – Project Manager
  - b. Burns & McDonnell
    - i. Anthony Beeson – Project Manager
    - ii. Sam Wilson – Resident Project Representative
    - iii. John Francisco – Construction Services Manager
  - c. Ferber Engineering
    - i. Dave Muck – Project Manager
3. **Description of Project**
  - a. This project generally includes construction of the Jackson Springs raw water pump station, intake structure, raw and finished water pipelines, and water treatment plant used to treat and distribute water from Rapid Creek and/or the Jackson Spring Infiltration Gallery.
  - b. The proposed intake structure and raw water pump station are located on the south side of Jackson Boulevard near Cleghorn Canyon Road. The water treatment plant is located north of Jackson Boulevard on Cleghorn Canyon Road.
  - c. The water treatment plant will include rapid mix, flocculation, sedimentation and membrane filtration. The project also includes construction of new chemical feed facilities, clearwell and high service pump station. The raw water pump station will include raw water pumps and surge vessel. The work includes all associated ancillary work including site grading, earthwork, yard piping, plumbing, HVAC, electrical, and instrumentation/controls work. The membrane equipment package will be owner-furnished.
  - d. **Other Work** – Transmission Mains Pipeline Project is under construction
4. **Bid Opening**
  - a. Bids will be received at:
 

**City of Rapid City Finance Office**  
**300 Sixth Street**  
**Rapid City, SD 57701**  
**Date: March 22, 2011**  
**Time: 2:00 pm**

Jackson Spring Water Treatment Plant  
Pre-Bid Conference  
February 22, 2011  
Page 2

- b. Bids shall be marked "Sealed Bid: Jackson Spring Water Treatment Plant – Project No. WTP10-1858 / CIP No. 50789"
- c. Bids submitted after this time will not be accepted.
- d. Bids will be opened and read aloud in the City School Administration Center immediately after the date and time stated above.

#### **5. Permits and Licenses**

- a. Contractor is responsible for obtaining all permits and licenses necessary to perform work in the State of South Dakota and in the City of Rapid City. This applies to sub-contractors as well. The City will not be responsible for delays related to obtaining permits or licenses
- b. Questions for City Building Officials

#### **6. Bid Form**

- a. Ensure the bid form, bid bond and all other required documents are provided. Refer to Section 2 INFORMATION AND INSTRUCTIONS TO BIDDERS and Section 4 BIDDER'S PROPOSAL and SPECIAL BID CONDITIONS AND EXPLANATION OF BID SCHEDULES in the project specifications.
- b. Method of Bidding is Lump Sum.
- c. Include additional forms and Bid Bond.
- d. Provide list of material and equipment suppliers & subcontractors.
- e. Note all requirements of Sections 1 through 8.

#### **7. Reference Information**

- a. Geotechnical Report see agenda item 8.
- b. School Asbestos Report: Contractor is responsible for confirming the findings of this report and removing all hazardous material from the site in accordance with all State and Federal laws. Refer to Section 02200.
- c. Membrane System Prepurchase Specifications: It is the City's intent to assign this contract to the successful bidder as described in Section 00800. The requirements of this contract will become requirements of the successful bidder.
  - i. This equipment is referred to as "Owner furnished Equipment" or "Furnished by Others" in the project specifications. No other equipment is supplied by the Owner.
- d. USACE 404 Nationwide Permit Approval: Contractor is responsible for following the conditions of these permit approvals as they pertain to all construction activities in and around Rapid Creek and Cleghorn Canyon Drainage.
- e. Additional Permits.

#### **8. Questions regarding Contract Documents**

- a. All questions should be directed via email to Anthony Beeson, Burns & McDonnell at [abeeson@burnsmcd.com](mailto:abeeson@burnsmcd.com)
- b. Please try to combine all questions as best as possible.
- c. Contract Documents can only be modified by addendum.
- d. Last Day for Questions – **March 15, 2011.**
- e. Last Addendum will be issued on **March 18, 2011.**
- f. Addendum will be distributed via e-mail (preferred) or fax.

#### **9. Subsurface Information**

- a. Geotechnical Engineering Study by FMG INC dated March 10, 2009 is available as supplemental

Jackson Spring Water Treatment Plant  
 Pre-Bid Conference  
 February 22, 2011  
 Page 3

information to the Specifications.

- b. It should be emphasized that this is **not** considered part of the Contract Documents. As stated in the Documents, each Contractor shall make their own investigations, as they deem necessary to completely understand the subsurface conditions.
- c. **Note: Geotech report reflects borings drilled in January of 2009. Water table will likely vary due to seasonal variations. Contractor shall verify water table conditions and provide all dewatering as necessary. Dewatering is incidental to the contract. Contractor shall obtain all necessary permits for their dewatering activities.**

#### 10. Easements

- a. Easements are as indicated on the drawings. All easements have, or will be, obtained before start of construction.
- b. Additional Temporary Construction Easements as needed – Responsibility of Contractor as their means and methods dictate. If additional temporary construction easements are obtained by the Contractor copies of the agreements shall be provided to the City of Rapid City and the resident inspector prior to starting work in said area.

#### 11. Work Hours and Limitations/Completion

- a. Work Hours are restricted from 7:00 am to 7:00 pm Monday through Friday, except Holidays unless otherwise modified by the City of Rapid City.
- b. All work shall be completed within 26 months from the Notice of Award date.

#### 12. Project Schedule

- a. Anticipated Notice of Award – Within 30 days after the day of bid opening
- b. Liquidated Damages - Final Completion - \$2,000/day

#### 13. Bidder Qualifications – SECTION 00810

- a. All Bidders must submit a qualifications statement conforming to the requirements of Section 00810 as modified in Addendum One.
- b. The requirements of this Section will be strictly enforced.

#### 14. Sequencing of Work – SECTION 01110

- a. Contractor shall determine sequence around limitations provided above and will be responsible for all means and methods.
- b. Provide sequence plan at preconstruction conference.

#### 15. Means and Methods – SECTION 01110

- a. Means and Methods – ALL MEANS AND METHODS FOR COSTRUCTION WILL BE THE RESPONSIBILITY OF THE CONTRACTOR. Contractor's bidding the project should have a thorough understanding of how they will construct the project, including all shoring, dewatering, excavation, sequencing, etc.

#### 16. Submittals – SECTION 01330

- a. The requirements of this section will be strictly enforced.
- b. Final copies of all A submittals are required.

#### 17. Substitutions

- a. Substitutions shall be approved prior to the bid in accordance with Section 00810. However,

Jackson Spring Water Treatment Plant  
Pre-Bid Conference  
February 22, 2011  
Page 4

should potential cost savings to the Owner through substitutions be identified following the bid, Contractor may submit alternate equipment and materials for Engineer's review.

- b. Written requests for substitutions shall be submitted by *Bidder* and received by Engineer at least seven days prior to bid day.
- c. All substitution requests will be evaluated for conformance with the project specifications. Any exceptions to the project specifications shall be clearly identified and will be evaluated accordingly.

#### **18. Project Meetings – SECTION 01320**

- a. Contractor shall hold progress meetings at least weekly and at other times requested by the Owner or Engineer and held at project site.
- b. Contractor is responsible for two public meetings as described in the specification.

#### **19. Quality Control and Material Testing – SECTION 01400**

- a. All testing required by the Contract Documents or deemed necessary by the Contractor shall be paid for by the Contractor and is incidental to the work.
- b. Contractor shall implement a quality control/assurance program conforming to the requirements of Section 01400. Contractor shall designate a single quality control/assurance coordinator, who shall be responsible for the schedule of tests and inspections required by 01400 1.06 G.
- c. Owner reserves the right to conduct quality assurance testing through an independent third party testing agency. Contractor shall provide access to materials for such testing when requested by the Owner or Engineer.

#### **20. Construction Access**

- a. Safety and Protection of Work and Property – See SECTION 01530.
- b. Construction must stay within City of Rapid City property, road right-of-way and easements.
- c. All safety is the responsibility of the Contractor

#### **21. Traffic Control**

- a. Construction phasing and traffic control plans are C032-C034. Contractor shall submit traffic control plans 14 days prior to the preconstruction conference.
- b. Contractor shall maintain access to all properties in the area including both entrances of the Nettleton property (directly south of the WTP) throughout construction.

#### **22. Utility Coordination**

- a. Black Hills Power – See notes on drawings E002 and E003
- b. MDU (gas) – Work indicated as “by others” on drawings C016-19 will be performed by MDU.
- c. Telephone & Data – Work shown on the electrical drawings is the responsibility of the Contractor, Owner will coordinate remaining installation.

#### **23. Division 2 Specifications**

- a. The division two specifications are written to supplement the City's standard specifications. Contractor shall be responsible for obtaining and executing work in accordance with the City's standard specifications.
- b. Contractor is responsible for removal of excess soil from the site. However, excess top soil shall remain the property of the City.

#### **24. Temporary Utilities – See SECTION 01560**

Jackson Spring Water Treatment Plant  
Pre-Bid Conference  
February 22, 2011  
Page 5

- a. Coordinate with local utility companies to provide required services.

**25. Addendum items**

- a. Two addenda have been issued. If you have not received them please let Anthony know.

**26. Questions/Discussion**

## Item 10



BID RESULTS AS READ  
 March 22, 2011

Jackson Springs Water Treatment Plant  
 Project No. WTP10-1858 / CIP No. 50789  
 Advertising Authority: \$26,130,000.00

	BIDDER	BASE BID	BOND INCLUDED	ADDENDA NOTED
	Engineer's Estimate	\$26,130,000.00	*****	
	(Canada)			
1	Graham	\$ 20,273,000	✓	✓
4	Garnoy Const	\$ 21,244,000	✓	✓
3	Rice Lake	\$ 21,061,000	✓	✓
6	Dean Kurtz	\$ 22,191,000	✓	✓
2	Heavy Const./JT Sorce	\$ 20,678,000	✓	✓
5	JSC/Hydro LLC	\$ 22,165,000	✓	✓
		\$		
		\$		
		\$		

## Item 11

# BID AWARD SUMMARY

LETTING DATE: March 22, 2011

**PROJECT:** Jackson Springs Water Treatment Plant  
Project No. W10-1858 / CIP No. 50789

**RECOMMENDATION:** Award Total Bid in the amount of \$20,273,000.00 to Graham Construction Services, Inc. at the April 4, 2011 City Council Meeting.

## BIDDER'S SUMMARY

<u>CONTRACTORS</u>	<u>TOTAL BID</u>
Graham Construction Services, Inc.	\$20,273,000.00
Heavy Constructors, Inc. & J.T. Jones Construction Co. Joint Venture	\$20,678,000.00
Rice Lake Construction Group	\$21,061,000.00
Garney Companies, Inc.	\$21,244,000.00
J. Scull Construction Services, Inc. & Hydro Construction Company, Inc. Joint Venture – JSC-Hydro JV, LLC	\$22,165,000.00
Dean Kurtz Construction Company	\$22,191,000.00

City staff recommends awarding this project to Graham Construction Services, Inc. for a total bid amount of \$20,273,000.00 with the following appropriation:

	TOTAL	Water Revenue Bond (932)
FUNDING SOURCE ADVERTISING AUTHORITY	\$26,130,000.00	\$26,130,000.00
ENGINEER'S ESTIMATE	\$26,130,000.00	\$26,130,000.00

**APPROPRIATION DATA:**

	TOTAL	Water
FUNDING SOURCE		
COST CENTER		932
LINE ITEM		4381
FUNDING CENTER		602
BID AMOUNT	\$20,273,000.00	\$20,273,000.00

**CONSULTANT:** Anthony Beeson **DATE:** 3/31/2011  
Anthony Beeson, PE  
Burns & McDonnell Engineering Co., Inc.

**PROJECT MANAGER:** Dan Coon **DATE:** 3-31-2011  
for Dan Coon, PE  
City of Rapid City

**SUBCONTRACTOR LISTING FOR  
Jackson Springs Water Treatment Plant  
Project No. WTP10-1858 / CIP No. 50789**

List the name of each subcontractor that will be used for the work identified if the Bidder is awarded the Contract. Bidders shall list contractors listed below as a minimum, regardless of the dollar value of the work, unless the prime bidder is qualified and will be performing these portions of the work with their own forces.

<u>Description of Subcontract Work</u>	<u>List of Subcontractors</u>
<u>Interior Piping</u>	<u>Graham</u>
<u>Buried Piping</u>	<u>Graham</u>
<u>Coatings/painter</u>	<u>Graham</u>
<u>Masonry</u>	<u>Graham</u>
<u>Water Containing Concrete</u>	<u>Graham</u>
<u>Electrical</u>	<u>Premier</u>
<u>System Integrator</u>	<u>DSI</u>
<u>HVAC</u>	<u>Tessiers</u>
<u>Plumbing</u>	<u>Heil</u>
<u>Grading</u>	<u>LindExco</u>
<u>Paving</u>	<u>Simon</u>
<u>Landscaping</u>	<u>Dakota Land</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

**SUPPLIER LISTING FOR**



BID SUMMARY  
April 4, 2011

1. No. CC040411-02.1 – Jackson Springs Water Treatment Plant Project No. WT10-1858 / CIP No. 50789 (Opened on March 22 2011)

ADVERTISING AUTHORITY	\$26,130,000.00
ENGINEER'S ESTIMATE	\$26,130,000.00

	Base Bid
1. JSC-Hydro JV, LLC.**	\$22,165,000.00
2. Heavy Constructors, Inc. & J T Jones Construction Co. Joint Venture**	\$20,678,000.00
3. Dean Kurtz Construction Company**	\$22,191,000.00
4. Rice Lake Construction Group**	\$21,061,000.00
5. Garney Construction**	\$21,244,000.00
6. Graham Construction Services**	\$20,273,000.00

\* Cashier's Check, Money Order or Bank Draft Submitted

\*\* Bid Bond Submitted

within the Contract Documents and shall be considered a part of this Contract as if written herein at length.

All work shall be completed within 26 months from the Notice of Award date. Liquidated damages, as specified in the Standard Specifications, will be charged for failure to complete the project on or before the completion date.

**BIDDING SCHEDULE:**

TOTAL BID: Price to provide all materials, labor and equipment to complete the Jackson Springs Water Treatment Plant, as shown in the Contract Documents.

Total Bid Price: \$ 20,273,000.00  
(In Numbers)

Twenty million two hundred seventy three thousand  
(Price in Words)

The contract award will be based on the lowest bid price arrived at in accordance with the Bid Schedule set forth above and conditions as set forth in the Contract Documents.

The said Bidder further agrees and states that he has read the advertisement calling for bids, has studied the Contract Documents, is familiar with the terms and conditions stipulated therein, agrees to enter into the attached Contract, and acknowledges the receipt of the following Addenda:

Addenda No.	Dated
1	1-28-11
2	2-8-11
3	3-4-11
4	3-14-11
5	3-18-11

Graham Construction Services, Inc.

Name of Company  
(Party of the Second Part)

Dave Lenss

Authorized Representative  
(Please Print)

 3-22-2011  
Authorized Signature Date

President

Title  
Address 2995 Lone Oak Circle, Suite 1  
Eagan, MN 55121

## Item 12



SECTION 11012 – MEMBRANE FILTRATION SYSTEM: continued

- B. Supplier's Representative: In addition to the time necessary to complete the requirements established elsewhere within these Specifications, the Supplier's Representative shall also provide onsite services at times designated by the Owner, for the minimum person-days listed below, travel time excluded. The Supplier should plan for a separate trip for each 10 days listed below. The Supplier's Representative shall be a qualified individual who has previously provided onsite services for the installation, testing, and startup of the Supplier's identical system at a minimum of one potable water treatment plant of similar size.
1. 5 person-days during unloading and sorting of Membrane Filtration System equipment.
  2. 10 person-days for attendance at engineering meetings.
  3. 20 person-days for providing installation assistance for the Membrane Filtration System.
  4. 10 person-days for training of the Owner's operators as specified.
  5. 45 person-days for assistance during startup activities.
- C. ~~Telephone: Provide telephone support by means of a toll-free phone number for a minimum period of 10 years following installation and startup. Provide a list of three or more names of individuals qualified to support operation, and provide cellular telephone or pager numbers for these individuals, if available. At least one of the listed individuals shall be available at all times including nights, weekends, and holidays in the event of an emergency.~~
- D. Annual Service Contract: The service contract shall provide annual plant reviews and training for a period of 10 years. The service contract shall include a minimum of 1-day onsite to conduct a plant review and provide optimization and technology updates and a minimum of 1-day onsite to provide training to plant personnel.

3.05 MEMBRANE FILTRATION SYSTEM TRAINING

- A. The Supplier shall furnish the services of qualified field personnel for 10 work-days to formally instruct the Owner's personnel on proper operation, installation, sampling, cleaning, maintenance, and troubleshooting for the membrane system. Time spent with the Owner's personnel during the functional testing and IPT does not count toward the training requirements. The training provided by the Supplier shall be recorded (provide 3 DVD copies) for further use by the Owner and include the following topics at a minimum:
1. Process Overview
    - a. Provide introductory training on membrane filtration including:
      - (1) Definitions
      - (2) Advantages
      - (3) Limitations
      - (4) Required pretreatment
    - b. Discuss the performance criteria specified in this Procurement Agreement Document, including production capacity, minimum recovery, and water quality.
    - c. Provide a detailed overview of the entire process and the purpose of each process component.
    - d. Describe independent processes in detail.
  2. Equipment and System Controls
    - a. HMI
      - (1) Provide training on the features and use of each HMI.
      - (2) Summarize and demonstrate features provided on each control screen.
    - b. Integration with plant controls
      - (1) Discuss fail-safe features, alarms, and integration of the Membrane Filtration System with other process equipment.
      - (2) Discuss integration with the remainder of plant controls. The Engineer can assist with this portion of the training.

## Item 13

Note:

At the City Council Meeting of the City of Rapid City on the 4<sup>th</sup> of April 2011 Robert Ellis recommended that the City not award the contract for the Jackson Springs Water Treatment Plant. His reasoning was that further review of contract document compliance of the low bidder would be appropriate.

## Item 14

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*Writer's Fax No.: (605) 342-9503*

April 7, 2011

VIA E.MAIL

Jason Green  
Assistant States Attorney  
300 Sixth Street  
Rapid City, SD 57701-2724

Re: Jackson Springs – Gustafson Builders  
GPNA File No. 06042.0010

Dear Jason:

This letter is in response to our recent conversation regarding the bid letting for the Jackson Springs Water Treatment Plant. I represent Gustafson Builders.

Based on our conversation, it is my understanding that the apparent low bidder on the project ("Graham") was permitted to modify its bid in order to satisfy the qualification standards set forth on Addendum No. 1 to the contract. This modification occurred after the bids were opened. Apparently, Graham substituted a sub-contractor that satisfied the qualification criteria.

The modification of the bid after bids were opened is in clear violation of the bid contract. Addendum No. 1 paragraph No. 4 outlines the procedure for submitting a Contractor's Qualification Statement. Each contractor was given the opportunity to submit its qualification statement seven days in advance of the bid opening. If a contractor availed itself of this opportunity, it would have been notified if it was qualified or not prior to the bid opening. Apparently, Graham failed to utilize this opportunity and instead submitted a qualification statement that did not meet the requirements of the contract prior to the bid opening.

Allowing one contractor to modify its qualification statement, by substituting in a qualified sub, after the bids were opened is in violation of the contract and smacks of favoritism. The reason the seven day window to satisfy the qualification requirement is in the contract is to allow contractors time to make sure they are qualified. By not utilizing this "pre-clearance" option Graham took the risk that it's bid did not satisfy the qualification requirements.

**GUNDERSON, PALMER, NELSON & ASHMORE, LLP**

April 7, 2011

Page - 2 -

Moreover, allowing such a substantive change to a bid after the bids were opened is patently unfair to all the other contractors who bid on the project. Why bother complying with the qualification statement requirements if the only thing that matters is the low bid?

I also believe this practice violates the new bid laws in South Dakota. SDCL 5-18A-5(6) clearly indicates that modifications of bids are permitted "not later than the time set for the opening of bids." This new law also indicates that "[a]fter bid opening, no withdrawal of a bid or change in bid prices or other provisions of bids prejudicial to the interest of the purchasing agency or fair competition is permitted." *Id.* Allowing a contractor to make such a significant modification of the qualification statement after the bid opening is not only a violation of the contract but also is prejudicial to fair competition. Again, why bother satisfying the qualification statement requirements if you can simply change it after the bids are opened?

You indicated that your initial reaction was that since the bid price was not impacted by the modification then it would likely stand. I appreciate your view of municipal discretion, but I believe the new law limits this discretion far more than the previous law. SDCL 5-18A-5(6) allows a purchasing agency to waive technical irregularities as long as that technical irregularity does not "alter the price, quality, or quantity of the services." First, allowing such a substantial change is not a technical irregularity. Simply put, at the time the bid was submitted it did not satisfy the qualification requirements. It should have been thrown out. Graham had the same opportunity as the other contractors to determine in advance if it was qualified. It apparently did not do this. Those who did use this process or were otherwise qualified should not be punished for their diligence. Second, the modification that was made certainly impacts the "quality" of services. The fact that the original bid was non-qualifying is a testament to this fact. The reason for the qualification statement is to insure that the work is done by those who have previously done this type of work and are qualified to do so.

Finally, although it applied the previous law, *Winter Brothers v. City of Beresford*, 652 N.W. 2d 99 (2002) is somewhat instructive. This case indicates that favoritism may exist with "the award of a contract to one who fails to submit a bid in full compliance with bidding requirements." *Id.* at 103. There seems to be no question that Graham's bid did not fully comply with the bidding requirements and allowing the modification after the bids were opened gave them a significant advantage.

**GUNDERSON, PALMER, NELSON & ASHMORE, LLP**

April 7, 2011

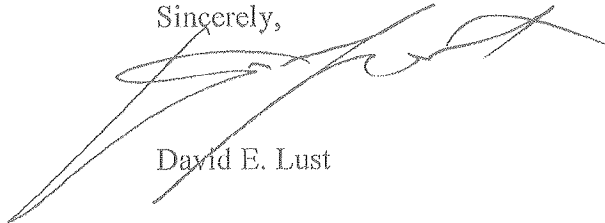
Page - 3 -

I would ask you to review the contract and law on this issue. My client feels that allowing such a significant modification was unfair and not in the spirit of the open bid process. In the end, allowing the modification undermines the bid letting process and procedure by allowing the low bidder flexibility and accommodation that was not afforded to all bidders.

Finally, I would like to have access to the documents associated with the Graham bid prior to the Public Works Committee hearing on Tuesday, June 12<sup>th</sup>. This would include the original bid, the modifications submitted, as well as any correspondence associated with the bid or modification. Please let me know the proper contact for this information. Thanks.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "David E. Lust", written over a horizontal line.

David E. Lust

DEL:bjs

C: Client – via e.mail