CITY of THE DALLES



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MEMORANDUM

TO:

Honorable Mayor and City Council Members

FROM:

Daniel Hunter, Project Coordinator

THRU:

Nolan Young, City Manager

DATE:

July 24, 2015

ISSUE:

Library Expansion Contract

As stated in the Agenda Staff Report for Contract Review Board 15-058 scheduled for the July 27, 2015 City Council meeting we have one bidder on the Library Expansion project. The following information and the attached letter from Sam Griffin are provided to bring you all up to date prior to Monday's meeting.

At the time the ASR was submitted it was believed that a 38% gap between budget and the bid was too large to make up. With this in mind, our recommendation at the time was to reject the bid and re-advertise.

July 16, 2015 I received the attached letter from Sam Griffin. I confirmed with the City Attorney to ensure we could legally proceed with Value Engineering. Since all bids were above budget we can proceed with Value Engineering.

On July 22, 2015 I met with the Library Foundation where I provided information and options for them to consider. I also provided them with copies of the attached letter from Sam Griffin. The outcome of that meeting was a request to me from the Foundation to share the budget information with Sam Griffin and ask if he still felt we could make up the difference to get the project done via Value Engineering.

On July 23, 2015 I spoke with Sam Griffin and shared the budget information with him. I asked if he felt we could value engineer the savings needed to get the project down to budget. Sam stated he felt strongly that we could and that he has a few areas already identified that we could look at.

It is at this time our recommendation that the Contract Board authorize an amended contract for the Construction of The Library Expansion with Griffin Construction to be Value Engineered to a cost not-to-exceed \$694,414.



July 16, 2015

RE: The Dalles-Wasco County Children's Library Expansion

Daniel Hunter,

During our recent phone conversation about bid results and timeline for decision making, you indicated that our bid came in over your budget. I have seen this happen a lot in this past year with the market fluctuation of pricing post-recession, especially with remodels. We have helped many owners in this situation with value engineering to reduce cost while maintaining the end result of the project. Griffin Construction is very competitive with pricing and as a comparison to other bidders, we recently were awarded The Dalles Transportation Center project and beat four other bidders with our price. I have a list of some VE ideas for you to discuss with your board members if you would like to work with us further. I am confident we can help you to get this project within your budget. If you have any questions or need any help, do not hesitate to contact me.

Sincerely,

Samuel Griffin

Sr. Estimator/PM

Griffin Construction LLC