

**AGENDA ITEM SUMMARY**

DATE: 7/12/10 DEPARTMENT: PW - Parks DEPT. HEAD SIGNATURE: 

**SUBJECT:** Motion to authorize an agreement with Kreizenbeck Constructors to perform as the Construction Manager for the Rodeo Grounds Project.

**AUTHORITY:**  ID Code \_\_\_\_\_  IAR \_\_\_\_\_  City Ordinance/Code \_\_\_\_\_  
(IF APPLICABLE)

**BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:**

Qualification statements were received from five firms to act as the City of Hailey's Construction Manager for the Rodeo Grounds project. These submittals were reviewed by city staff and the recommendation to hire Kreizenbeck Constructors is being made following this review. A copy of the RFQ and a summary of the review are attached. Copies of the proposals are available for your review.

**FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:** Caselle # \_\_\_\_\_  
Budget Line Item # \_\_\_\_\_ YTD Line Item Balance \$ \_\_\_\_\_  
Estimated Hours Spent to Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_  
Staff Contact: Tom Hellen Phone # 788-9830 Ext 14  
Comments:

**ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS:** (IF APPLICABLE)  
\_\_\_\_ City Attorney \_\_\_\_\_ Clerk / Finance Director \_\_\_\_\_ Engineer \_\_\_\_\_ Building  
\_\_\_\_ Library \_\_\_\_\_ Planning \_\_\_\_\_ Fire Dept. \_\_\_\_\_  
\_\_\_\_ Safety Committee \_\_\_\_\_ P & Z Commission \_\_\_\_\_ Police \_\_\_\_\_  
\_\_\_\_ Streets \_\_\_\_\_ Public Works, Parks \_\_\_\_\_ Mayor \_\_\_\_\_

**RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:**

**ADMINISTRATIVE COMMENTS/APPROVAL:**

City Administrator \_\_\_\_\_ Dept. Head Attend Meeting (circle one) Yes No

**ACTION OF THE CITY COUNCIL:**  
Date \_\_\_\_\_

City Clerk \_\_\_\_\_

**FOLLOW-UP:**

# Public Works Memo

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**To:** Mayor Rick Davis

City Council Members

**CC:** Heather Dawson, City Administrator

Ned Williamson, City Attorney

**From:** Tom Hellen, Public Works Director/City Engineer 

**Date:** July 9, 2010

**Re:** Selection of Construction Manager – Rodeo Grounds Project

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The City of Hailey advertised in the Idaho Mountain Express on June 23 & 30, 2010 for Statements of Qualification for performing as the construction manager for the publicly funded work at the Rodeo Grounds. Information was provided by five firms in response to this request; Power Engineers, Sfingi Group, Beniton Construction Company, Kreizenbeck Constructors and Okland Construction. A copy of the ranking sheet and the advertisement are attached for your information. All proposals are also available in my office for your review. This round of information gathering does not include a cost proposal. That process follows the selection of a firm to provide the CM service.

One of the important considerations was a State Statute requirement that Construction Managers hold a public works license in order to provide construction management services on a public works project. Two proposals; Power Engineers and Okland; do not have this license. Power Engineers cited an exception in the requirement that they are able to provide those services normally associated with engineering services "Provided however, that such services shall not include the procurement of equipment or construction work required by law to be competitively bid for public works construction." Okland claimed no such exception. Because assistance or actual performance of bidding activities is a desired function of the CM their ranking points in this category are lower. This has essentially removed them from further consideration.

The remaining three firms were further scrutinized for their compliance with the RFQ including checking with their references. The Sfingi Group proposal was sparse in describing what services would be provided by their firm. City staff has held meetings with the principals in discussing the direction we should proceed with this construction project and understand their competence in providing this service. Discussions with their references showed that the full range of services offered by other firms were not in their usual work provided. While this could likely be a point of contract negotiation with Sfingi Group it is felt that the remaining two CMs are highly qualified and the choice should be between them. It needs to be understood

that additional services provided will be with an increased price tag when making the final decision.

The qualifications of the remaining two firms are extremely close and the points given reflect this. Both firms, while not headquartered locally, have had a significant presence in the Wood River Valley for many years. Both have provided CM services to the Blaine County School District, Blaine County, and private development. Based upon past city staff experience the recommendation is for Kreizenbeck Constructors. In fairness to both firms it is likely that the services listed could be negotiated with each in a final contract and that either would provide a quality product.

Criteria	Points	Power Engrs	Sfingi	Beniton	Kreizenbeck	Okland
1. Experience with projects of \$2 million or more	10	10	10	10	10	10
2. Team members experience with projects of \$2 million or more	10	10	10	10	10	10
3. References	10	10	10	10	10	10
4. Track record of project completion within budget and timeframe	10	10	10	10	10	10
5. Public Works project experience	10	0	8	10	10	10
6. Bonding ability	10	10	8	10	10	10
7. Listing of services to be provided	20	8.5	12	19	19	15
8. PW Construction managers license	20	10	20	20	20	0
	100	68.5	88	99	99	75

**7. Listing of services to be provided**

Design Review	1	0	1	1	1	1
Scheduling	1	1	1	1	1	1
Estimating/Budget Review	1	0	1	1	1	1
Weekly meetings	1	1	1	1	1	1
On-site presence	1	1	0	1	1	1
Safety Meetings	1	0.5	1	1	1	1
Site Control	1	1	0	1	1	1
Bid Document Preparation	1	0	1	1	1	0
Bid Review and Recommendation	1	0	1	1	1	0
Contract Document Preparation	1	0	1	1	1	0
Contract Enforcement	1	1	1	1	1	0
Pay Request Review	1	0	1	1	1	1
Inspections and Inspection Report Review	1	1	0	1	1	1
Monthly Project Meetings	1	1	1	1	1	1
Coordination with Architect/Ice Arena	1	1	1	1	1	1
Shop Drawing Review	1	0	0	1	1	1
Functionality Tests	1	0	0	0	1	1
O&M Manuals	1	0	0	1	1	1
Punch List Preparation	1	0	0	1	1	1
Warranty Work Walk-through	1	0	0	1	0	0
	20	8.5	12	19	19	15

**REQUEST FOR STATEMENT OF QUALIFICATIONS**  
**Construction Manager**

The City of Hailey is seeking statements of qualifications from Construction Manager firms or individuals for assistance with the construction management of for the City of Hailey Rodeo Grounds property.

With the May 25, 2010 voter approval for bonding for this project, the City of Hailey has proceeded with construction drawings and documents anticipating bid packages to be ready initially in August, 2010 with subsequent bid dates through 2011. To assure orderly progress of the construction activities the City of Hailey is anticipating a requirement for a Construction Manager to protect the city's interests and assure timely completion of the project for the 2011 July 4 Rodeo. The Construction Manager will represent Hailey during the construction of a multi-use arena, an addition to the existing skate park, an interpretative center and site work, and will assist in the coordination of construction activities associated with the Hailey Ice Rink facility (collectively referred to as "Project").

Applicants are expected to provide the following minimum information:

1. Applicants must show substantial firm expertise in construction management including commercial projects valued in excess of two million dollars (\$2,000,000)
2. Applicants must list all team members expected to participate in the Project and list individual experience and qualifications especially noting those project team members with experience in commercial projects valued in excess of two million dollars (\$2,000,000).
3. Applicants shall submit the Construction Managers Basic Services anticipated to complete the Project that they will provide in acting as the City's representative.
4. Applicants must provide examples of at least three commercial projects of comparable size and references for each project.
5. Any individual submitting a statement of qualifications shall submit his/her public works construction management license issued under Idaho Code §§ 54-4501 *et seq.* Any construction management firm submitting a statement of qualifications shall submit a certificate of authority issued by the Public Works Contractors State License Board under Idaho Code § 54-4509..
6. Applicants must demonstrate the ability to post payment and performance bonds or similar security to secure the construction manager's obligations.

Qualified firms or individuals must submit a full statement of qualifications to the City Engineer at 115 S. Main, Hailey, Idaho 83333 no later than 4:00 p.m. on July 7, 2010 to be considered and will be opened at that time. Please contact Thomas Hellen at 208-788-9830, Ext 14 for additional information concerning the Project. A recommendation for selection would be made to the Mayor and City Council at the Council meeting on July 12, 2010 and that firm will be asked to submit contract proposals for providing construction management services as further outlined by the City of Hailey. Upon receipt of the statements of qualifications, Hailey intends to rank the responding individuals and firms in

order of preference based on the best qualified individual or firm to provide the construction management services for the Project. Hailey intends to rank responding individuals and firms and select an individual or firm based on the following minimum criteria:

1. Experience on similar projects.
2. References.
3. Experience in managing and completing projects within budget and on time.
4. Ability to work with numerous stakeholders.
5. Experience in public work projects.
6. Ability to post payment and performance bonds or similar security to secure the construction manager's obligations.

Analysis of Construction Management Firms - for Rodeo grounds

Criteria	Points	Power Engrs	Sfingi	Beniton	Kreizenbeck	Okland
1. Experience with projects of \$2 million or more	10	10	10	10	10	10
2. Team members experience with projects of \$2 million or more	10	10	10	10	10	10
3. References	10	10	10	10	10	10
4. Track record of project completion within budget and timeframe	10	10	10	10	10	10
5. Public Works project experience	10	0	8	10	10	10
6. Bonding ability	10	10	8	10	10	10
7. Listing of services to be provided	20	8.5	3	19	18.5	15
8. PW Construction managers license	20	10	20	20	20	0
	100	68.5	79	99	98.5	75
<b>7. Listing of services to be provided</b>						
Design Review	1	0		1	1	1
Scheduling	1	1	1	1	1	1
Estimating/Budget Review	1	0	1	1	1	1
Weekly meetings	1	1		1	1	1
On-site presence	1	1		1	1	1
Safety Meetings	1	0.5	1	1	0.5	1
Site Control	1	1		1	1	1
Bid Document Preparation	1	0		1	1	0
Bid Review and Recommendation	1	0		1	1	0
Contract Document Preparation	1	0		1	1	0
Contract Enforcement	1	1		1	1	0
Pay Request Review	1	0		1	1	1
Inspections and Inspection Report Review	1	1		1	1	1
Monthly Project Meetings	1	1		1	1	1
Coordination with Architect/Ice Arena	1	1		1	1	1
Shop Drawing Review	1	0		1	1	1
Functionality Tests	1	0		0	1	1
O&M Manuals	1	0		1	1	1
Punch List Preparation	1	0		1	1	1
Warranty Work Walk-through	1	0		1	0	0
	20	8.5	3	19	18.5	15



**\$3,500,000**  
**City of Hailey**  
**Blaine County, Idaho**  
**General Obligation Bonds, Series 2010**

The City plans to issue \$3.5 million in general obligation bonds to fund a new recreational facility in the City called the Hailey Rodeo Park.

**Structure:** Level debt service (except the first year), maturing August 1, 2011, through August 1, 2020

**Redemption:** Not subject to redemption

**Security:** *Ad valorem* taxes levied without limitation as to rate or amount on all taxable property in the City in an amount sufficient to pay the principal of and interest on the Bonds.

**Project Description**

- Improvements to the rodeo grounds, including
- Indoor Hailey ice rink with year-round sports camps
  - Multi-use arena built to rodeo specifications
  - Expansion to the Hailey skate park to accommodate a wider range of skating abilities
  - Public art, integrated into the improvements
  - Museum-quality display celebrating the history of the property
  - Landscaping, sidewalks, and parking

**Project Funding**

Total cost (estimated):	\$7,500,000
Sources of funds:	
Bond proceeds:	\$3,500,000
Donations and fund raising:	4,000,000
Total raised to date:	\$4,000,000



**Bond Information**

**Outstanding Long-Term Bonds<sup>(1)</sup>**

	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
<b>General Obligation Bonds</b>				
The Bonds	08/03/2010	08/01/2020	\$ 3,500,000 <sup>(2)</sup>	\$ 3,500,000 <sup>(2)</sup>
<b>Revenue Bonds</b>				
Series 2001 Sewer Bonds	04/17/2001	03/01/2021	\$ 4,500,000	\$ 3,005,000
Series 2008 DEQ Water Loan	11/30/2008	11/01/2028	2,400,000	2,227,748
<b>Total</b>			<b>\$ 6,900,000</b>	<b>\$ 5,232,748</b>
<b>Total Long-Term Debt</b>			<b>\$ 10,400,000</b>	<b>\$ 8,732,748</b>

(1) The City currently has no plans to issue additional general obligation bonds.  
 (2) Preliminary, subject to change.

**Debt Service on the Bonds**

Calendar Year	The Bonds <sup>(1)</sup>		Total Debt Service <sup>(1)</sup>
	Principal	Interest	
2011	\$ 285,000	\$ 93,043	\$ 378,043
2012	325,000	87,863	412,863
2013	330,000	81,363	411,363
2014	335,000	74,763	409,763
2015	345,000	67,225	412,225
2016	355,000	59,463	414,463
2017	365,000	49,700	414,700
2018	375,000	39,663	414,663
2019	385,000	27,475	412,475
2020	400,000	14,000	414,000
<b>Total</b>	<b>\$ 3,500,000</b>	<b>\$ 594,558</b>	<b>\$ 4,094,558</b>

(1) Preliminary, subject to change.



**Debt Ratios**

Taxable Assessed Value	\$1,278,745,835
Full Market Value	1,460,667,411
Estimated Population	7,883
Net Direct Debt (Includes the Bonds)	\$3,643,675
Estimated Net Overlapping Debt	1,258,525
<b>Total Net Direct and Overlapping Debt</b>	<b>\$4,902,500</b>
Net Direct Debt to Taxable Assessed Value	0.28%
Net Direct Debt and Overlapping Debt to Taxable Assessed Value	0.38%
Per Capita Taxable Assessed Value	\$162,216
Net Direct Debt to Full Market Value	0.25%
Net Direct and Overlapping Debt to Full Market Value	0.34%
Per Capita Full Market Value	\$185,293
Per Capita Net Direct Debt	\$462
Per Capita Net Direct and Overlapping Debt	622



**Fund Balances**

In 2009, the City made an accounting change in how it accounted for fund balances, separating funds for future capital needs and funds reserved for operations. In prior years, these funds were held in the same account.

Operations fund balance goal: 15%-20% of revenues  
 Current balance: \$680,000 (15.8% of revenues)

The City has set aside \$2,250,000 in unrestricted funds reserved for future capital needs.

Fiscal Year Ended 09/30	Revenues	Expenditures	General Operations Fund Balance	GOFB as % of Revenues	Capital Fund Balance Reserves	Total Fund Balance	Total FB as % of Revenues
2009	\$ 4,309,354	\$ 4,210,676	\$ 680,988	15.8%	\$ 2,765,587	\$ 3,446,575	79.98%
2008	5,381,198	4,942,364	807,180	15.0%	2,025,130	2,832,310	52.63%
2007	4,668,701	4,759,867	700,305	15.0%	1,693,168	2,393,473	51.27%
2006	4,637,752	4,080,385	695,663	15.0%	1,788,976	2,484,639	53.57%
2005	4,071,913	3,688,481	610,787	15.0%	1,294,994	1,905,781	46.80%



**Local Option Sales Tax**

**Local Option Sales Tax**

In addition to general tax revenues and fees, the City has a voted local option sales tax, authorized initially in 2006 and renewed in 2009 for an extended 20-year term, on alcohol by the glass and hotel services. The revenue from this tax is included in general fund revenues and is treated as a tourism tax, used for tourist-related services such as:

- Additional police officers
- Snow removal equipment
- Street repairs
- Funding for marketing, events, and tourism through the Hailey Chamber of Commerce
- Crosswalk lights for pedestrian safety
- Local transit authority, allowing free bus rides within the City
- Economic development and downtown beautification

**Local Option Sales Tax Collections**

The City expects total local option sales tax collections of approximately \$300,000 in Fiscal Year 2010. Figures shown in the table below for 2010 reflect collections in October through March of Fiscal Year 2010.

Fiscal Year	Lodging <sup>(1)</sup>	Liquor	Dining	Total Received
2010	\$ 68,451	\$ 20,107	\$ 46,500	\$ 135,057
2009	163,489	40,466	102,728	306,683
2008	215,376	45,662	110,790	371,828
2007	219,817	47,958	105,889	373,664
2006 <sup>(2)</sup>	79,999	11,599	31,274	122,872

(1) The local option sales tax on rental cars is included in the Lodging category.  
 (2) The City began collecting the local option sales tax in July of Fiscal Year 2006.

**Property Tax Revenue Collections**

Tax Year	Amount Levied	Total Collected	Percent Collected
2009	\$1,870,361	\$1,083,496*	57.9%
2008	1,812,638	1,799,881	99.3%
2007	1,716,774	1,716,302	100.0%
2006	1,510,132	1,509,294	99.9%
2005	1,764,009	1,763,939	100.0%

\* Includes July 2009 through January 2010.



**Budget**

The City prepares its annual budgets using conservative estimates and assumptions. The City's revenue sources are diversified and, in addition to those shown in the table below, include impact and annexation fees.

Adopted Budgets			Cost-Saving Measures	
	2010	2009		
<b>REVENUES</b>				
Taxes	\$ 1,874,411	\$ 1,814,411	• No salary or COLA increases were paid (or budgeted) in FY 2010.	
Franchise fees	334,000	316,500	• No layoffs, but unfilled positions have been eliminated from the budget, reducing the number of positions by 10%.	
Fines, fees and permits	419,975	508,005	• No furloughs, but several employee positions have been reformatted to take advantage of reduced workload and diverse skill sets.	
LOT, interest, donations, and misc.	561,000	544,000	• The parks maintenance contract with an external party has been cancelled. The City has purchased the necessary equipment for upkeep of the parks, which will be done by City employees.	
State sales, highway & liquor taxes	959,887	1,043,119	• Other contractual agreements have been adjusted, including reducing manpower and equipment for snow removal by contracting with unemployed construction companies for equipment and manpower at a lower cost.	
Leases and contracts	348,000	324,781	• The Rolling Fleet replacement program has been cut by approximately 50% while exploring consolidated services options.	
<b>Total Revenues</b>	<b>\$ 4,497,273</b>	<b>\$ 4,550,826</b>	• The employee health insurance policy has moved from an expensive \$100 deductible/\$1000 Out-of-Pocket policy to a \$1,000 deductible/\$2,500 OOP policy. The City is researching other options for the next calendar/benefits year.	
<b>EXPENDITURES</b>				
Legislative	\$ 252,037	\$ 242,915	• Grant opportunities have been aggressively sought, resulting in position replacement through grants.	
Administration (CEO and Finance)	265,047	284,460	• Savings have been realized by retrofits in lighting, thermostats and water consumption, and grants have been obtained to maximize energy efficiency and minimize operating costs.	
Planning	220,709	227,875		
Buildings	136,948	186,216		
Police	1,422,438	1,416,223		
Fire	463,274	484,007		
Animal control				
Library	472,168	477,307		
Public works & engineering	72,443	92,035		
Streets	1,037,727	1,036,090		
Parks	154,481	163,698		
<b>Total Operating Expenses</b>	<b>\$ 4,497,272</b>	<b>\$ 4,610,826</b>		
Capital projects from department budgets	\$ 372,000	\$ 0		
Capital improvement reserves	2,328,312	3,392,706		
<b>Total Expenditures</b>	<b>\$ 7,197,584</b>	<b>\$ 8,003,532</b>		



**Housing**

**Market Value**

Similar to other parts of the State, the housing market in Hailey has softened, leading to declines in market values for Fiscal Years 2009 and 2010.

Fiscal Year	Full Market Value	% Increase	Homeowner's Exemption	Net Taxable Value	% Increase
2010	\$ 1,460,667,411	-7.61%	\$ 181,921,576	\$ 1,278,745,835	-8.93%
2009	1,580,943,641	-0.60%	176,823,018	1,404,120,623	-2.16%
2008	1,590,462,395	7.62%	155,321,416	1,435,140,979	6.41%
2007	1,477,818,868	8.59%	129,074,365	1,348,744,503	5.49%
2006	1,360,941,537	40.55%	82,414,121	1,278,527,416	43.79%
2005	968,321,356	-	79,147,030	889,174,326	-

**Average Single Family Home Prices**

	2008	2007
Sun Valley	\$2,154,691	\$1,953,751
Ketchum	2,164,376	1,522,170
Mid-Valley	1,893,821	1,068,933
Hailey	443,502	383,500
Bellevue	406,462	292,480

Source: Sun Valley/Ketchum Chamber and Visitors Bureau

**Blaine County Housing Authority**

The Housing Authority provides housing at affordable sales prices and rental rates to people comprising the labor force.

City	Number of Community Homes
Ketchum	64
Sun Valley	8
Hailey	10
Unincorporated Blaine County	7

Source: "Community Housing is a Community Investment"; BCHA report summer 2009



DEMOGRAPHICS

**Taxpayers and Employers**

**Top Ten Taxpayers**

The City's top ten taxpayers comprise less than 7.50% of the City's taxable market value in Fiscal Year 2010 (Tax Year 2009).

Taxpayer	Type of Business	Taxable Assessed Value	% of District's Taxable Assessed Value
Old Cutters Inc.	Mixed residential subdivision	\$ 25,700,359	2.01%
Power Engineers Inc.	Engineering firm	12,811,244	1.00%
711 North Main Street LLC	North Hailey Business Center	8,194,213	0.64%
New Albertsons Inc.	Grocery store	8,112,376	0.63%
Sweetwater Company LLC	Multi-family residential project	7,183,184	0.56%
Wilderness LLC	Condominium development	7,143,000	0.56%
Spring Meadow LLC	Planned unit development	6,963,897	0.54%
Balmoral Limited Prtnr	Apartment rentals	6,552,382	0.51%
Alturas Partners	Property development	6,448,506	0.50%
FAPO Holdings Idaho LLC	Property management	6,405,585	0.50%
<b>Top 10 Taxpayers</b>		<b>\$ 95,514,746</b>	<b>7.47%</b>
<b>All Other District Taxpayers</b>		<b>1,183,231,089</b>	<b>92.53%</b>
<b>Total District Taxpayers (Tax Year 2009)</b>		<b>\$ 1,278,745,835</b>	<b>100.00%</b>

Old Cutters Inc. is a mixed residential subdivision with 149 residential lots on 143 acres northeast of the City.

Power Engineers, established in 1976, is an international consulting engineering firm based out of Hailey, Idaho. The firm works on a range of projects that include energy, communications, manufacturing and process, institutional communications, and environmental.

**Major Employers**

Employer	Product/Service	No. of Employees
Blaine County School District	Education	537
Power Engineers	Engineering	189
Blaine County	Government	172
Atkinsons' Market Inc	Ret Groceries	110
New Albertson's Inc	Supermarket	100
Rocky Mountain Hardware Inc.	Manufacturer	80
City of Hailey	Government	60
Blaine Manor Extended Care	Skilled nursing care facility	50
Roberts Electric Inc	Electrical contractor	31

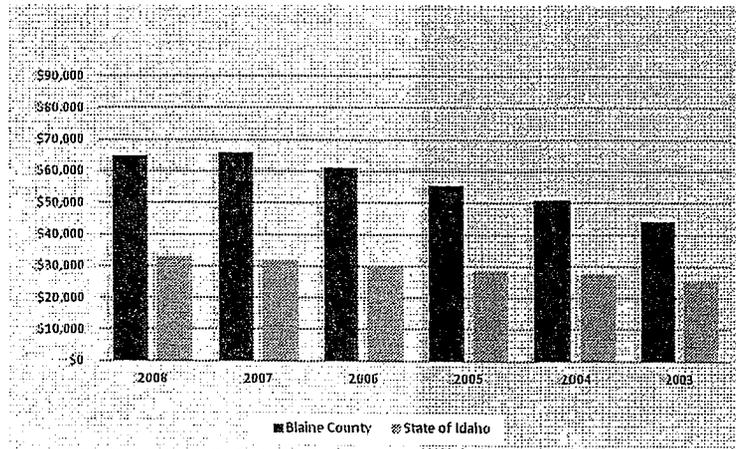


**INCOME**

**Per Capita Income-Blaine County**

Per capita income in Blaine County is significantly above the State-wide average.

In 2008, Blaine County's per capita income was almost 1.9 times greater than the State average.



**Strong community support for project**

• The City benefits from strong community support for the project, with more than 50% of project costs coming from fund raising and private donations.

**Low debt to market value ratio**

• Through responsible management of City finances, the City has been able to fund capital expenditures without excessive debt, which is reflected in the City's very low Net Direct Debt to Full Market Value ratio of just 0.25%.

**Healthy fund balances and reserves**

• The City has maintained a large cash reserve available for operations and future capital needs. The City has set aside or maintained a 15% fund balance for general operations and currently has a capital fund reserve of approximately \$2,765,600. Total fund balances and reserves have ranged from 46.80% in FY 2005 to 79.98% in FY 2009.

**Diversified taxpayer base**

• The City's top ten taxpayers make up less than 7.5% of the City's taxable market value.

**High per capita income**

• Per capita income in Blaine County is 1.9 times the State average.

**Conservative budgeting**

• Market values have declined in the past two years, but the City has budgeted conservatively and has been able to maintain services while using cost savings to adjust to lower revenue collections.



**Heather Dawson**

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**From:** RLB [rlb@rlb-sv.com]  
**Sent:** Tuesday, July 06, 2010 2:25 PM  
**To:** Rick Davis  
**Cc:** Heather Dawson; Tom Hellen; Ned Williamson; b.keefer@cox.net  
**Subject:** Rodeo Park Update

I will be out of the office from July 7, 2010 through July 14, 2010 (on the Main Salmon Ned!). I will see you at the groundbreaking at 4pm today.

- Michael and Thadd will be managing the projects while I am gone. Michael will be at the July 12 council meeting and will give a brief update to the City Council.
- Salvage of the Rodeo Grounds is scheduled to start this week and will run through next week.
- The Demolition Bid Package is out to bid; a mandatory pre-bid conference will be held on site at 9:00AM Monday, July 19<sup>th</sup>. The demolition bids to be opened at 3:00PM on the 21<sup>st</sup>. We will be at the council meeting on July 26<sup>th</sup> to review and recommend. We currently have six local public works licensed contractors on the plan holders list.
- Tom Hellen and Brian Yeager from Galena Engineering are bidding out the site utilities, i.e. water and sewer; the scope of work is more than just the actual Rodeo Grounds property.
- Paul Stoops, P.E. is working with Idaho Power on their portion of the work.
- Power Engineers, Hailey Ice, R/L/B, Stoops, etc. have been meeting weekly to review the Multi-Use Ice Facility. Last week we met with refrigeration suppliers from Denver and hockey equipment suppliers from Minnesota. Power is seeking proposals on refrigeration packages.
- R/L/B resubmitted to City of Hailey for Planning & Zoning Department the revised Multi-Use Ice Facility plans for administrative review.
- R/L/B is moving forward on the construction document portion of the project, working with Hailey Ice, Power Engineers, mechanical/electrical consultants and engaging Dave Ferguson.

Please call me, Michael or Thadd if you have any questions.

Thanks,

Nick

July 6, 2010

Heather Dawson, City Administrator  
Tom Hellen, Public Works Director  
City of Hailey  
115 Main Street South  
Hailey, ID 83333

RE: Hailey Rodeo Park  
Architectural/Engineering Fee

RECEIVED  
JUL 07 2010  
HD  
TH

Dear Heather & Tom:

As you know, Ruscitto/Latham/Blanton has made extensive program and design revisions to the Multi-Use Ice Arena portion of the Hailey Rodeo Park Project.

All of the changes have been at the request of Hailey Ice representatives and people associated with the new proposed summer use programs.

A simple review of the revisions is as follows:

- An increase in square footage from the initial program of approximately 8500 square feet.
- The addition of several rooms and uses from the initial program.
- The addition of multiple summer sports uses and the associated equipment requirements.
- A more complex structure/building resulting in additional work for the structural engineers, mechanical engineer and electrical engineer.
- The estimated additional construction cost of these changes is \$1.4 million.

The changes to the program and building design are extensive and have added substantially to the scope of work for Ruscitto/Latham/Blanton and its consultants.

We therefore propose an additional fee of \$84,000 (6% of \$1,400,000) which would include the redesign, design review submittal, construction document phase, construction observation phase and all structural, mechanical, electrical engineering associated with the revised scope of work.

I know that you will want to discuss this proposal with Mayor Davis, Ned Williamson and Hailey Ice representatives.

Yours Truly,



Nicholas Latham AIA

**RUSCITTO/LATHAM/BLANTON**

**ARCHITECTURA P.A.**

