



Ketchikan Gateway Borough

1900 1st Avenue, Ketchikan, Alaska 99901

March 11, 2011

Mr. Pete Dawson
Dawson Construction, Inc.
P.O. Box 30920
Bellingham, WA 98228-2920

RE: Notice to Proceed for Ketchikan Aquatic Center Construction and Gateway Recreation Center Reroof Project

Dear Mr. Dawson:

On February 18 of this year, you provided a proposed Guaranteed Maximum Price (GMP) for the Ketchikan Aquatic Center Construction and Gateway Recreation Center Reroof Project. On March 4, the Borough issued a Notice to Proceed for the proposed GMP less proposed increases in Mechanical costs.

We have completed our review of Mechanical items in the proposal. After consulting with the Mechanical Engineer and the Mechanical Subcontractor, we have identified \$82,122 in reductions to the Mechanical work. This Notice to Proceed reflects that reduction and supersedes the Notice to Proceed issued on March 4, 2011.

In accordance with §2.2.7 of the December 16, 2010 contract between the Borough and Dawson Construction, Inc., this letter constitutes Notice to Proceed with the Ketchikan Aquatic Center Construction and Gateway Recreation Center Reroof Project under the CMGC/GMP method with a Guaranteed Maximum Price in the amount of \$19,504,393.

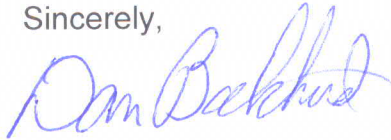
This final GMP amount, Schedule of Values, and Project Schedule will be memorialized in a Contract Amendment per §2.2.8 of the Contract.

Please note that items C1, C2, C3, C4, C5, C11, and A4 in the second attachment to this letter are increases in cost that have been or will be evaluated through the Request for Proposal/Change Order provisions of the Contract Agreement and will be increases to the GMP amount. Likewise, items A3, M1, and E3 are decreases in cost that will be evaluated through the Request for Proposal /Change Order provisions of the Contract Agreement and will be decreases to the GMP amount.

Mr. Pete Dawson
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The Borough looks forward to a continued positive working relationship with Dawson Construction Company, Inc., over the next year as the Ketchikan Aquatic Center is constructed in accordance with the goals outlined in the contract.

Sincerely,



Dan Bockhorst
Borough Manager

Attachment 1 – “Ketchikan Aquatic Center 95% GMP Proposal 03/11/2011”
Attachment 2 – “Ketchikan Aquatic - Center CM/GC Contract Clarifications (3/11/2011)”

cc: Project Steering Committee
Don Simmons, RISE Alaska
David Moore, Architects Alaska

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
02220	PHASE II SITE - REMOVE PAVING & WALKS	68,114	SF				
	REMOVE LIGHT POLES						
	REMOVE STORM DRAIN						
	REMOVE FENCING						
	BUILDING SELECTIVE DEMO						
	EXTERIOR WALL OPENINGS	2	EA				
	DEMO RELIEF AIR BUMP OUT	1	EA				
	RECEPTION COUNTER						
02230	CLEARING & STRIPING - PHASE II						
02310	EARTHWORK EXCAVATE AND BACKFILL - PHASE II						
02315	BUILDING EXCAVATE & BACKFILL - TRENCHING						
	2' CLASSIFIED FILL	2,300	CY				
	BACKFILL FOUNDATION						
02630	STORM DRAIN						
02740	ASPHALT PAVING	10,440	SY				
02760	PAINT MARKINGS	1	LS				
02770	CONCRETE SIDEWALKS	19,535	SF				
	CURB & GUTTER	4,075	LF				
	CONCRETE CROSSWALK	2,370	SF				
	DETECTABLE WARNING PADS	16	EA				
02820	CHAIN LINK FENCING	65	LF				
02870	WOOD BENCH	1	EA				
	BIKE RACK	4	EA				
	BOLLARDS - IPE	29	EA				
	BENCH - IPE 2 X 12	25	LF				
	DECKING - IPE 2 X 4	150	LF				
02880	PLAYGROUND EQUIPMENT	5	EA				
	CONCRETE FOUNDATIONS	18	EA				
	GUARDRAIL - PLAY PANELS	143	LF				
	GATE - DOUBLE	2	SETS				
02885	PLAY SURFACING	1,312	SF				
	ARTIFICIAL GRASS	220	SF				
02890	TRAFFIC SIGNS	32	EA				
02920	LAWN	59,500	SF				
02930	TREES	71	EA				
	SHRUBS	332	EA				
	GROUND COVER	2,815	EA				
	GRASSES	1,372	EA				

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
	MULCH	150	CY				
	TREE STAKING	71	EA				
	FERTILIZER						
	EDGING	610	LF				
02940	PAINTING & TOP SOIL	1,574	CY				
02945	LANDSCAPE MAINTENANCE	1	YR				
	DIVISION 2 SUBTOTAL			957,819	609,875		
03300	C.I.P. CONCRETE - FOUNDATION	751	CY				
	FG&S	3,815	SF				
	FORM	24,241	SFCA				
	FINISH	5,985	SF				
	COMPETITION POOL	335	CY				
	FG&S	6,360	SF				
	FORM	6,780	SFCA				
	FINISH	7,104	SF				
	CONCRETE COLUMNS - WHITE	10	CY				
	FORM	577	SFCA				
	SLAB ON GRADE	320	CY				
	FG&S	17,021	SF				
	FINISH	17,021	SF				
	STRUCTURAL SLABS	205	CY				
	FORM	4,528	SFCA				
	FINISH	3,688	SF				
	SLAB ON METAL DECK	65	CY				
	FG&S	4,800	SF				
	FINISH	4,800	SF				
	CONCRETE BEAM - WHITE	30	CY				
	FORM	1,485	SFCA				
	FINISH	389	SF				
	RETAINING WALLS	155	CY				
	FG&S	1,603	SF				
	FORM	4,535	SFCA				
	FINISH	1,839	SF				
	CUSTOM FORM LINER	1,152	SF				
	PLAY AREA SLAB & SEATS	46	CY				
	FG&S	2,158	SF				
	FORM	440	SFCA				
	FINISH	2,202	SF				

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
	CONCRETE CIRCLES - LANDSCAPE	10	CY				
	FG&S	786	SF				
	FINISH	786	SF				
	REINFORCING	99	TN				
	WATER STOP	600	LF				
	VAPOR BARRIER	30,000	SF				
	HOUSEKEEPING PADS	18	EA				
	CONCRETE STAIR TREADS	39	EA				
	SHORING & RESHORING	8,488	SF				
	CURING	27,600	SF				
	SACKING						
	CONCRETE PUMPING	1,900	CY				
	EMBEDS FOR PRECAST	160	EA				
	CONCRETE SLAB SEALING	27,600	SF				
03410	PRE-CAST CONCRETE PANELS	15,076	SF				
	FIELD WELDING	1,600	LF				
	GROUTING	112	CF				
	JOINT SEALING	5,500	LF				
	HOISTING & RIGGING	118	PCS				
	LOCKER ROOM BENCHES & WINDOW SILLS	17	EA				
	CRANE & OPERATOR	2	MO				
04200	UNIT MASONRY - EXTERIOR VENEER	5,500	SF				
	INTERIOR	10,600	SF				
	REINFORCING	10	TN				
	DIVISION 3 & 4 SUBTOTAL			2,798,025	2,292,223		
05120	STRUCTURAL STEEL	106	TN				
	ANCHOR BOLTS	124	EA				
	WELD STUDS	458	EA				
	MAIN TRUSS	4	SEC				
	STEEL ERECTION SET UP & RIGGING						
	WELDING CONSUMABLES						
	CRANE & OPERATOR	2	MO				
05210	STEEL JOISTS	75	EA				
05310	METAL DECKING - ROOF	9,084	SF				
	ACOUSTICAL	21,352	SF				
	CONCRETE DECKING	4,840	SF				
05500	METAL FABRICATIONS						
	CAT WALK	1	EA				

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
	LADDERS	3	EA				
	STAIRS	3	FLT				
	HANDRAILS/GUARDRAILS	248	LF				
	BOLLARDS - F.H.	4	EA				
	SITE GUARDRAIL	860	LF				
05721	ORNAMENTAL RAILING - INTERIOR	160	LF				
	DIVISION 5 SUBTOTAL			805,833	647,935		
06100	ROUGH CARPENTRY - MISC - TREATED	11,320	BF				
	GYP SHEATHING	19,520	SF				
	ROOF SHEATHING - FRT	4,320	SF				
06402	CASEWORK & COUNTERTOPS	88	LF				
	SHELVING	55	LF				
	S.S. COUNTER	2	EA				
	REFURBISH LOBBY DESK	1	EA				
	WDW SILLS, JAMBS, HEAD SOLID SURFACING	780	SF				
06610	FRP GRATING - POOL TRENCH	628	LF				IN MECHANICAL
	DIVISION 6 SUBTOTAL			129,281	80,745		
07131	SHEET W.P. - ROOF	4,600	SF				
07210	RIGID INSULATION - WALLS	7,552	BF				
	AT METAL ROOFING	25,200	BF				
	BATT INSULATION	36,802	SF				
	VAPOR BARRIER - WALLS - 10 MIL	26,000	SF				
07272	WEATHER BARRIER	20,000	SF				
07411	METAL ROOF PANELS	6,160	SF				
07412	METAL WALL PANELS	12,700	SF				
	METAL SOFFIT	1,220	SF				
07420	PHENOLIC WALL PANELS	5,400	SF				
07542	PVC ROOFING	252	SQ				
07620	FLASHINGS & TRIM						
	COPING	700	LF				
07716	ROOF EXPANSION ASSEMBLIES	166	LF				
	EXTERIOR WALL EXPANSION JOINTS	72	LF				
	SOFFIT EXPANSION JOINTS	34	LF				
07841	FIRE STOP SYSTEMS						
07842	FIRE RESISTANCE & INT EXPANSION JOINTS - WALL & CLG	354	LF				
	FLOOR	117	LF				
07920	JOINT SEALANTS						
	DIVISION 7 SUBTOTAL			1,030,178	958,743		

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
08311	ACCESS DOORS	5	EA				
08340	FIBERGLASS DOORS & FRAMES	20	OPNG				
	GROUTING	20	EA				
08411	ALUMINUM ENTRANCES	270	SF				
	WINDOWS	2,187	SF				
	BORROW LIGHTS	424	SF				
08620	UNIT SKYLIGHTS	10	EA				
08710	FINISH HARDWARE	24	LVS				
08800	GLAZING						
	MIRRORS	674	SF				
08816	DECORATIVE GLAZING	67	SF				
08911	GLAZED CURTAIN WALLS	370	SF				
08950	TRANSLUCENT WALL ASSEMBLIES	1,504	SF				
	DIVISION 8 SUBTOTAL			307,037	275,512		
09111	METAL FRAMING	38,700	SF				
	CEILING (GWB)	2,400	SF				
09250	GYPSON BOARD	8,972	SF				
	TAPING						
09511	ACOUSTICAL CEILING	3,000	SF				
09640	BAMBOO FLOORING	1,072	SF				
09653	RESILIENT BASE						
09654	LINOLEUM FLOORING	2,130	SF				
	MAJOR FLOOR PREP	3,202	SF				
09851	SOUND ABSORBING CEILING UNITS	203	EA				
09911	EXTERIOR PAINTING						
09912	INTERIOR PAINTING						
09960	HIGH PERFORMANCE COATINGS						
	DIVISION 9 SUBTOTAL			457,199	580,025		
10155	TOILET COMPARTMENTS	7	STAL				
10280	TOILET & BATH ACCESSORIES	68	EA				
	BABY CHANGING STATION	2	EA				
	MIRRORS	10	EA				
	SANITARY NAPKIN VENDING	1	EA				
	WARM AIR DRIERS	12	EA				
	WIRE SHELVING	18	LF				
10431	SIGNAGE	29	EA				
10510	LOCKERS	384	EA				
10520	FIRE EXTINGUISHERS & CABINETS	8	EA				

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
	DIVISION 10 SUBTOTAL			163,823	143,952		
11451	APPLIANCES	2	EA				
12491	HORIZONTAL LOUVER BLINDS	1	EA				
	DIVISIONS 11 & 12 SUBTOTAL			2,227	2,225		
13038	SAUNA	1	EA				PER RFI 007
13080	VIBRATION & SEISMIC CONTROL						
13150	SWIMMING POOLS						
	DIVISION 13 SUBTOTAL			1,968,116	2,014,600		
15000	MECHANICAL						
15300	FIRE SPRINKLER						
16000	ELECTRICAL						
	DIVISION 15 & 16 SUBTOTAL			4,868,079	4,120,000		
006113	PERFORMANCE & PAYMENT BOND	20,000,000	DLR				
006214	INSURANCE - LIABILITY	20,000,000	DLR				
006215	INSURANCE - BUILDERS RISK						
000115	PLAN REPRODUCTION / LIST OF DRAWING SHEETS						
013101	SUPERVISION	14	MO				
013100	PROJECT MANAGER	14	MO				
013105	PROJECT ENGINEER	14	MO				
013106	CONTRACT ADMINISTRATOR	14	MO				
	MEP MANAGER/ SCHEDULING						
017125	SITE & BUILDING LAYOUT	8	MO				
014126	PERMITS						B/O
014125	AK-PUBLIC WORKS FEE (1% OF CONTRACT 5,000 MAX)						
013517	SAFETY / FALL PROTECTION PROGRAM						
013216	CONSTRUCTION PROGRESS SCHEDULE						
013233	PHOTOGRAPHIC DOCUMENTATION	14	MO				
014529	TESTING LABORATORY SERVICES						B/O
015001	YARD LABOR	14	MO				
015113	TEMPORARY ELECTRICITY	14	MO				
015133	TEMPORARY TELEPHONE	14	MO				
015136	TEMPORARY WATER						B/O
015126	TEMPORARY LIGHTING	36,104	SF				
015219	SANITARY FACILITIES	14	MO				
015123	TEMPORARY HEATING, COOLING, AND VENTILATING	6	MO				
015134	HOME OFFICE PHONE	14	MO				
015423	TEMPORARY SCAFFOLDING AND PLATFORMS	10	MO				
015626	TEMPORARY FENCING - 1,500 LF	14	MO				

Phase	Description	Quantity	U/M	95% GMP Line Subtotal *	65% GMP Line Subtotal	**	Comments
017413	PROGRESS CLEANING	36,104	SF				
015723	TEMPORARY STORM WATER POLLUTION CONTROL-MAINT	10	MO				
017419	CONSTRUCTION WASTE MANAGEMENT & DISPOSAL	36,104	SF				
015800	PROJECT IDENTIFICATION						
015213	FIELD OFFICES AND SHEDS	14	MO				
016501	MATERIAL & EQUIPMENT HANDLING	12	MO				
016502	FREIGHT						
016511	POSTAGE & U.P.S.	14	MO				
017700	CLOSEOUT PROCEDURES						
017423	FINAL CLEANING	36,104	SF				
015450	EQUIPMENT						
015451	OFFICE EQUIPMENT	1	EA				
015452	LASER LEVEL						
015453	PICKUP TRUCK (S)	14	MO				
015459	EQUIPMENT - FUEL & MAINT	14	MO				
015464	SAFETY TOOLS & EQUIPMENT						
013005	E/M TRAVEL	14	MO				
013009	SUBSISTENCE						
060523	NAIL, BOLTS, FASTENERS	36,104	SF				
060525	JOB CONSUMABLES	36,104	SF				
	OFFICE SUPPLIES						
	WORKER SAFETY TRAINING						
	CREW LODGING & PER DIEM	14	MO				
	COMMISIONING						
	SITE CAMERA	12	MO				
	GENERAL CONDITIONS SUBTOTAL			1,724,982	1,562,060		
	DEISGN CONTINGENCY			--	1,345,000		
	SUBTOTAL			15,212,598	14,632,895		
	EARLY SITEWORK			1,997,105	2,051,105		95% does not include electrical Walkway canopy included in 95% Base bid
	ALTERNATE NO. 1			909,924	956,000		
	ALTERNATE NO. 2				270,000		Included in 95% Base bid
	ALTERNATE NO. 3				180,000		Included in 95% Base bid
	ALTERNATE NO. 4				70,000		Included in 95% Base bid
	ALTERNATE NO. 5				120,000		Included in 95% Base bid
	ALTERNATE NO. 6				240,000		Included in 95% Base bid

Ketchikan Aquatic Center CM/GC Contract Clarifications

C = Civil
 S = Structural A = Architectural
 P = Pool M = Mechanical
 E = Electrical X = Misc.

Approved by Steering Committee

Recommend Inclusion

Recommend Exclusion

Accept conditionally -Defer to RFP process

RFP-GMP-Value Engineering & Options

#	Category	Rough Order of Magnitude				Accepted	Required Decision Date	Comments
		RFP	95% GMP	100% Docs	V.E./ Options			
C1	Temp bus pullout	\$57,792.00						RFP #1
C2	East side fire lane	\$70,000.00						RFP Pending - NTE amount
C3	Added fire hydrant required by City of Ketchikan	T.B.D.						RFP Pending
C4	Widen East entrance	\$5,000.00						RFP Pending - NTE amount
C5	Additional parking West lot	T.B.D.						RFP Pending
C6	Additional gate valve on water line to allow isolation of the GRC from KAC		\$1,000.00					Valve supplied by city
C7	Added Storm Drain at Phase two Parking lot.		\$5,000.00					Additional Storm Drain added between 65% and 95%
C8	Added site demo and sidewalk at West lot entrance to Schoenbar as a result of design modifications between 65% and 95%		\$5,000.00					Work added between 65% and 95%
C9	Added curb south of GRC		\$2,000.00					Existing curb replaced with new curb on 95%
C10	Retaining walls and slab for Transformer.		\$49,000.00					This change resulted in an major reduction in site electrical costs.
C11	Water pipe ductile iron Cathodic Protection			T.B.D.				Added per 2/4/11 civil drawings
S1	Foundation wall thickness		\$24,000.00					This item and Item A5 below will be evaluated through the RFP process.
S2	Natatorium light supports - Seismic bracing added after 65% drawings		\$15,000.00					This is for additional seismic bracing added between 65% and 95
S3	Steel & Rebar material increase		\$35,000.00					This is a reasonable amount for increases in rebar

#	Category	Rough Order of Magnitude				Accepted	Required Decision Date	Comments
		RFP	95% GMP	100% Docs	V.E./ Options			
A1	Solid surface window sills, jambs, heads. Corian is a brand of solid surface material.		\$20,000.00					This discretionary addition is a significant improvement in durability and longevity
A2	Sauna Material revision		(\$5,500.00)					Prior approval
A3	Delete natatorium duct painting	(\$10,000.00)						RFP #2
A4	Fire separation wall	T.B.D.						RFP # Pending
A5	Metal siding in place of CMU Veneer							This item along with Item S1 above will be evaluated through the RFP process.
P1	Concrete dive platform and water slide tower		\$66,000.00					This discretionary increase adds measurably to the durability of the dive platforms and waterslide. High humidity and chlorinated water combine to make the interior atmosphere of natatoriums corrosive.
P2	Pool covers and storage reels		\$29,000.00					added after 65%
P3	10x10 floating raft fixture in lap pool		\$4,000.00					added after 65%
M1	Mech V.E.	(\$27,500.00)						RFP # 2
M2	Plumbing, heating HVAC		\$284,845.87					Under review
M2a	Glycol system				\$31,286.49			Deleted
M2b	Spectator area floor drains				\$12,074.32			Deleted
M3	Sheet metal		\$216,228.04					Under review
M3a	Spiral duct substitution				\$35,003.82			Accepted
M3b	Deplicate Booster fan ducting				\$3,757.05			Deleted
M4	Insulation		\$15,000.00					Under review
M5	Balancing		\$13,000.00					Under review
M6	Seismic Bracing		\$25,000.00					Under review
M7	Controls		\$14,000.00					Under review
E1	Electrical cost increases		\$76,200.00					This was approved earlier.
E3	Dual Power Services	T.B.D.						RFP # Pending. This will be a cost reduction.

#	Category	Rough Order of Magnitude				Accepted	Required Decision Date	Comments
		RFP	95% GMP	100% Docs	V.E./ Options			
X1	Fuel and Freight cost escalation		\$35,000.00					This is a reasonable increase for fuel and freight.
SUBTOTAL		\$95,292.00	\$928,773.91	\$0.00	\$82,121.68			
COMBINED SUBTOTAL		\$1,106,187.59						