

## **RESOLUTION No. 2011-2928**

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**A RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE CURRENT NEWBERG ANIMAL SHELTER DESIGN CONTRACT WITH LCG PENCE CONSTRUCTION, LLC IN THE AMOUNT OF \$8,000.00 TO CONDUCT AN INTENSE VALUE ENGINEERING EFFORT ON THE DESIGN DURING THEIR COMPLETION OF THE FINAL DESIGN AND BID PACKAGE AND OBTAIN A NEW GUARANTEED MAXIMUM PRICE**

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### **RECITALS:**

1. The City is in the process of designing and constructing a new Newberg Animal Shelter (NAS).
2. A contract was awarded to LCG Pence Construction, LLC for pre-construction and design services in the amount of \$49,958.00. The contract was later modified with Change Order 1 for a \$2,500.00 increase to address enhanced energy saving mechanical, electrical and plumbing (MEP) design efforts.
3. The contractor, LCG Pence Construction, LLC, has submitted a Guaranteed Maximum Price (GMP) based on the 90% design for **\$1,074,969.00**.
4. It is anticipated that an intense value engineering (VE) effort would look at all the functional aspects and focus on what could be modified to reduce costs while retaining as much functional capability as possible. This effort is best incorporated into the final design and bid package preparation.
5. LCG Pence Construction LLC has requested \$8,000.00 to conduct this additional intense VE effort.

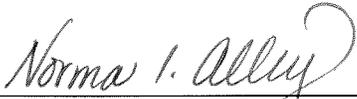
### **THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. The city authorizes and delegates the authority to the city manager to negotiate, amend, approve, and execute a modification to the existing contract with LCG Pence Construction, LLC to execute an intense value engineering effort, in the amount of \$8,000.00.
2. The contract for construction of the NAS, based on the revised final design and bid documents with a GMP, will be presented to the City Council for final awarding of the construction contract for the project.

3. At the time that the NAS GMP is presented to the Council, the City staff is directed to present not only the GMP, but also a review of the funding methods proposed to support the project.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: February 8, 2011.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 7<sup>th</sup> day of February 2011.

  
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Norma I. Alley, City Recorder

**ATTEST** by the Mayor this 10<sup>th</sup> day of February 2011.

  
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Bob Andrews, Mayor

### LEGISLATIVE HISTORY

By and through \_\_\_\_\_ Committee at \_\_\_\_ / \_\_\_\_ / \_\_\_\_ meeting. Or,  None.  
(committee name) (date) (check if applicable)