

**CITY OF SAINT PETER, MINNESOTA  
AGENDA AND NOTICE OF MEETING**

City Council Committee of the Whole – Thursday, February 15, 2018  
River's Edge Hospital and Clinic Helen White Conference Room– 5:30 p.m.  
1900 North Sunrise Drive

**5:30 P.M. JOINT COMMITTEE OF THE WHOLE**

- I. **CALL TO ORDER**
  
- II. **DISCUSSION**
  1. Review of Hospital Expansion Project Bids
  2. Risk Analysis
  
- III. **ADJOURNMENT**

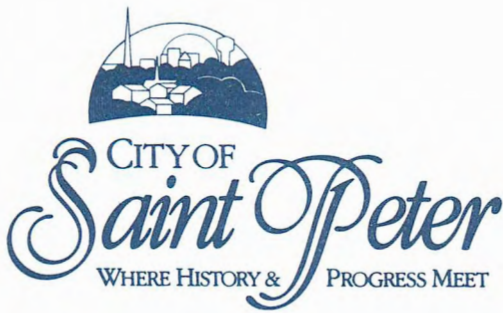
**6:00 P.M. SPECIAL HOSPITAL COMMISSION MEETING**

- I. **CALL TO ORDER**
  
- II. **NEW BUSINESS**
  - A. Hospital Expansion Project Bids
    1. Steel Work
    2. Site Work
    3. Concrete Work
  
- III. **ADJOURNMENT**

**6:15 P.M. SPECIAL CITY COUNCIL MEETING**

- I. **CALL TO ORDER**
  
- II. **NEW BUSINESS**
  1. Hospital Expansion Project Bid Awards
    - A. Steel Work
    - B. Site Work
    - C. Concrete Work
  
- III. **ADJOURNMENT**

Office of the City Administrator  
Todd Prafke



## Memorandum

**TO:** Honorable Mayor Zieman  
Members of the City Council

**DATE:** 2/12/2018

**FROM:** Todd Prafke  
City Administrator

**RE:** 2018 Hospital Expansion Project Bid Awards

### **ACTION/RECOMMENDATION**

Award bids for site work, steel, and concrete components of the 2018 Hospital Expansion Project.

### **BACKGROUND**

Bids were received by the Owner's Agent for three components (six divisions) of the Hospital Expansion Project. The bids have been reviewed by the Agent and staff and, following a joint Committee of the Whole meeting with the Hospital Commission and subsequent to a recommendation by the Hospital Commission at a special meeting to be held on February 15, 2018, staff recommends award of the bids contingent upon receipt of USDA financing to the following contractors in the amounts shown:

- Earthwork – Lorentz Construction, Mankato, Minnesota in the amount of \$737,983
- Site Pavement – Nielsen Blacktopping, Kasota, Minnesota in the amount of \$144,580
- Concrete – Gresser Companies, Inc., Shakopee, Minnesota in the amount of \$651,000
- Curb and Gutter – Nielsen Blacktopping, Kasota, Minnesota in the amount of \$53,610
- Steel Erection – Dannys, Shakopee, Minnesota in the amount of \$287,530
- Steel Fabrication – American Structural, Bloomington, Minnesota in the amount of \$448,000.

### **FISCAL IMPACT:**

The award of these bids is recommended to be made contingent upon receipt of USDA financing for the project. However; it is important for the Council to note that certain work related to shop drawings for the project would need to be paid whether USDA funding is received or not. Those costs would be paid either from the USDA funding, or if no funding is awarded, from Hospital Reserve funds. These bids are collectively about 7% under the Guaranteed Maximum Price provided by your Construction Manager.

### **ALTERNATIVES/VARIATIONS:**

Do Not Act: Staff would wait for additional direction from the Council. Failure to act at this meeting could send us in a number of directions including but not limited to a rebid of the

project, stopping the project, or changing the project construction timeline. Since the bids are less than estimated, and the process is in line with our plan related to project timing, we would need to evaluate any specific concerns and re-think what the logical next steps would be.

Denial: No further action will be taken without additional direction from the Council. We would wait for additional direction and work to meet any new goals set by the Council.

Modification of the Resolution: This is always an option of the City Council; however, should the Council choose to award a component bid to other than the lowest cost bidder we should take the appropriate amount of time to provide and articulate the basis for a change of that type.

Please feel free to contact me if you have any questions or concerns about this agenda item.

TP/bal

				EGMP*	Variance
<b>1</b>	<b>Earthwork</b>			<b>\$ 846,917</b>	
	<b>W. Lorentz Construction</b>	<b>Mankato</b>	<b>MN</b>	<b>\$ 737,983</b>	<b>\$ (108,934)</b>
	Dirt Merchant	Mankato	MN	\$ 899,250	
	MUI - MN Utilities & Excavating	Forest Lake	MN	\$ 951,749	
	Rachel Contracting	St. Michael	MN	\$ 1,008,314	
	US Sitework	Elk River	MN	\$ 1,070,296	
	Bolander	St. Paul	MN	\$ 1,248,000	
	Veit	Rogers	MN	\$ 1,334,230	
<b>3</b>	<b>Site Pavement</b>			<b>\$ 150,600</b>	
	<b>Nielsen Blacktopping</b>	<b>Kasota</b>	<b>MN</b>	<b>\$ 144,580</b>	<b>\$ (6,020)</b>
	WW Blacktopping	Mankato	MN	\$ 170,700	
	SMC - Southern MN Const Co.	Mankato	MN	\$ 202,301	
	Midwest Asphalt	Hopkins	MN	No Bid	
	Stapf	Burnsville	MN	No Bid	
<b>4</b>	<b>Concrete</b>			<b>\$ 693,015</b>	
	<b>Gresser Companies, Inc.</b>	<b>Shakopee</b>	<b>MN</b>	<b>\$ 651,000</b>	<b>\$ (42,015)</b>
	McGough LLC	St. Paul	MN	\$ 1,045,300	
	Southern MN Construction	Mankato	MN	No Bid	
	OMG Midwest	Belle Plane	MN	No Bid	
	Northland Concrete	Burnsville	MN	No Bid	
	RW Carlstrom	Mankato	MN	No Bid	
<b>5</b>	<b>Curb and Gutter</b>			<b>\$ 68,063</b>	
	<b>Nielsen Blacktopping</b>	<b>Kasota</b>	<b>MN</b>	<b>\$ 53,610</b>	<b>\$ (14,453)</b>
	North Country Concrete	Burnsville	MN	\$ 70,150	
	Curb Masters, Inc.	South St Paul	MN	\$ 80,000	
	SMC - Southern MN Const Co.	Mankato	MN	\$ 82,050	
<b>9</b>	<b>Steel Erection</b>			<b>\$ 237,050</b>	
	<b>Dannys</b>	<b>Shakopee</b>	<b>MN</b>	<b>\$ 287,530</b>	<b>\$ 50,480</b>
	Sowles	Shakopee	MN	\$ 306,750	
	Red Cedar Steel	Menomonie	WI	\$ 438,320	
	KMH	Maple Plain	MN	\$ 454,000	
<b>17</b>	<b>Steel Fabrication</b>			<b>\$ 500,200</b>	
	<b>American Structural</b>	<b>Bloomington</b>	<b>MN</b>	<b>\$ 448,000</b>	<b>\$ (52,200)</b>
	Ben's Tool & Iron	St Cloud	MN	\$ 461,817	
	Central MN Fabricating	Willmar	MN	\$ 471,510	
	Metro Manufacturing	St. Paul	MN	No Bid	
	Superior Iron	Elk River	MN	No Bid	
	LeJeune Steel	Minneapolis	MN	No Bid	
<b>To-Date</b>				<b>\$ 2,495,845</b>	<b>\$ (173,142)</b> <b>-6.94%</b>

**CITY OF SAINT PETER, MINNESOTA**

**RESOLUTION NO. 2017 -**

**STATE OF MINNESOTA)  
COUNTY OF NICOLLET)  
CITY OF SAINT PETER)**

**RESOLUTION AWARDING BIDS FOR 2018 HOSPITAL EXPANSION PROJECT STEEL,  
SITE AND CONCRETE WORK**

WHEREAS, the City Council has authorized receipt of bids for a project to expand River's Edge Hospital and Clinic in 2018; and

WHEREAS, bids were received for the steel, site and concrete work on the project as follows:

**Earthwork:**

W. Lorentz Construction	Mankato	MN	\$737,983
Dirt Merchant	Mankato	MN	\$899,250
MUI - MN Utilities & Excavating	Forest Lake	MN	\$951,749
Rachel Contracting	St. Michael	MN	\$1,008,314
US Sitework	Elk River	MN	\$1,070,296
Bolander	St. Paul	MN	\$1,248,000
Veit	Rogers	MN	\$1,334,230

**Site Pavement:**

Nielsen Blacktopping	Kasota	MN	\$144,580
WW Blacktopping	Mankato	MN	\$170,700
SMC - Southern MN Const Co.	Mankato	MN	\$203,301
Midwest Asphalt	Hopkins	MN	No Bid
Stapf	Burnsville	MN	No Bid

**Concrete:**

Gresser Companies, Inc.	Shakopee	MN	\$651,000
McGough LLC	St. Paul	MN	\$1,045,300
Southern MN Construction	Mankato	MN	No Bid
OMG Midwest	Belle Plane	MN	No Bid
Northland Concrete	Burnsville	MN	No Bid
RW Carlstrom	Mankato	MN	No Bid

**Curb and Gutter:**

Nielsen Blacktopping	Kasota	MN	\$53,610
North Country Concrete	Burnsville	MN	\$70,150
Curb Masters, Inc.	South St Paul	MN	\$80,000
SMC - Southern MN Const Co.	Mankato	MN	\$82,050

**Steel Erection:**

Dannys	Shakopee	MN	\$287,530
Sowles	Shakopee	MN	\$306,750
Red Cedar Steel	Menomonie	WI	\$438,320
KMH	Maple Plain	MN	\$454,000

**Steel Fabrication:**

American Structural*	Bloomington	MN	\$448,000
Ben's Tool & Iron*	St Cloud	MN	\$461,817
Central MN Fabricating	Willmar	MN	\$471,510
Metro Manufacturing	St. Paul	MN	No Bid
Superior Iron	Elk River	MN	No Bid
LeJeune Steel	Minneapolis	MN	No Bid

\*Pricing shop welding of gusset plates and verifying misc. angle

WHEREAS, the Owner's Agent has reviewed the submitted bids and recommended award of the bid for these project components; and

WHEREAS, the Hospital Commission, in a special meeting held on February 15, 2018 recommends approval of the lowest cost bids as recommended by the Owner's Agent.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT:

1. The following bids for the 2018 Hospital Expansion Project are hereby awarded contingent upon receipt of USDA financing for the overall project:
  - Earthwork – Lorentz Construction, Mankato, Minnesota in the amount of \$737,983
  - Site Pavement – Nielsen Blacktopping, Kasota, Minnesota in the amount of \$144,580
  - Concrete – Gresser Companies, Inc., Shakopee, Minnesota in the amount of \$651,000
  - Curb and Gutter – Nielsen Blacktopping, Kasota, Minnesota in the amount of \$53,610
  - Steel Erection – Dannys, Shakopee, Minnesota in the amount of \$287,530
  - Steel Fabrication – American Structural, Bloomington, Minnesota in the amount of \$448,000
2. The City shall pay each contractor for work expended during the shop drawing process that must occur between the award of these bids and receipt of verification of financing from USDA. Funding for this work shall be from Hospital Reserve Funds.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 15th day of February, 2017.

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Charles Zieman  
Mayor

ATTEST:

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Todd Prafke  
City Administrator