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

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
| 1 Earthwork | W. Lorentz Construction | Mankato, MN | $737,983 | $846,917 | $ (108,934) |
|             | 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 |           |           |

| 3 Site Pavement | Nielsen Blacktopping | Kasota, MN | $144,580 | $150,600 | $ (6,020) |
|                 | WW Blacktopping       | Mankato, MN | $170,700 |           |           |
|                 | SMC - Southern MN Const Co. | Mankato, MN | $202,301 |           |           |
|                 | Midwest Asphalt       | Hopkins, MN |           | $144,580 | $ (6,020) |
|                 | Stapf                  | Burnsville, MN |           | $170,700 |           |

| 4 Concrete | Gresser Companies, Inc. | Shakopee, MN | $651,000 | $693,015 | $ (42,015) |
|            | 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 |           |           |

| 5 Curb and Gutter | Nielsen Blacktopping | Kasota, MN | $53,610 | $68,063 | $ (14,453) |
|                   | 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 |           |           |

| 9 Steel Erection | Dannys | Shakopee, MN | $287,530 | $237,050 | $ 50,480 |
|                  | Sowles  | Shakopee, MN | $306,750 |           |           |
|                  | Red Cedar Steel        | Menomonie, WI | $438,320 |           |           |
|                  | KMH                  | Maple Plain, MN | $454,000 |           |           |

| 17 Steel Fabrication | American Structural | Bloomington, MN | $448,000 | $500,200 | $ (52,200) |
|                     | 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 |           |           |

To-Date | $2,495,845 | $ (173,142) | -6.94% | American Health Facilities Development, Inc.
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.

Charles Zieman
Mayor

ATTEST:

Todd Prafke
City Administrator