
**LEVANDER,
GILLEN &
MILLER, P.A.**

ATTORNEYS AT LAW

TIMOTHY J. KUNTZ
DANIEL J. BEESON
*KENNETH J. ROHLF
◊STEPHEN H. FOCHLER
◊JAY P. KARLOVICH
ANGELA M. LUTZ AMANN
*KORINE L. LAND
ANN C. O'REILLY
◻*DONALD L. HOEFT
DARCY M. ERICKSON
DAVID S. KENDALL
BRIDGET McCaULEY NASON
ELIZABETH HALL MURTHY
DAVID B. GATES
•
HAROLD LEVANDER
1910-1992
•
ARTHUR GILLEN
1919-2005
•
• ROGER C. MILLER
RETIRED

MEMO

*ALSO ADMITTED IN WISCONSIN
◊ALSO ADMITTED IN NORTH DAKOTA
◊ALSO ADMITTED IN MASSACHUSETTS
◻ALSO ADMITTED IN OKLAHOMA

TO: Sunfish Lake Mayor and Councilmembers
FROM: Timothy J. Kuntz, City Attorney
DATE: April 26, 2017
**RE: Bonding for City Project No. 2017-01 – May 2, 2017 City Council Meeting;
Agenda Item 8(b)**

Section 1. Background. Steve Apfelbacher and Jessica Cook of Ehlers are preparing the bond documents for Project 2017-01 (Roanoke Road and Salem Church Road). The City is borrowing the total of the Project costs. Repayment will be made by special assessments and general tax levy.

It is expected that the special assessments will be levied in or about September 2017 after the Project is completed.

Section 2. Project Costs. Attached to this memo is a computation of the Project costs. This is the amount that Ehlers is using to obtain bonding and financing.

Section 3. Council Action. Steve Apfelbacher and Jessica Cook of Ehlers are preparing the bond resolutions. They will be sent to the Council as soon as the bond sale has been negotiated.

Attachment

CITY OF SUNFISH LAKE
PROJECT 2017-01
PROJECT COSTS FOR BONDING

1.	Low Bid	\$299,952.42
2.	Contingency (10%) \$29,995 say \$30,000	\$30,000
3.	Underwriter's Discount	\$6,750
4.	Bond Counsel & Fiscal Advisor (Costs of Issuance)	\$16,500
5.	Capitalized Interest	\$8,184
6.	Engineering	\$46,000
7.	Legal	\$12,000
8.	Clerk	\$1,000
9.	Treasurer	\$1,000
10.	Publication & Notices	<u>\$500</u>
TOTAL		\$421,886

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TO: Sunfish Lake Mayor and Councilmembers
FROM: Timothy J. Kuntz, City Attorney
DATE: April 26, 2017
**RE: 2017-01 Street Improvement Project; Resolution Accepting Bid and
Awarding Contract – May 2, 2017 City Council Meeting; Agenda Item 8(a)**

Section 1. Background. At the February 7, 2017, Council meeting, the Council ordered the advertisement of bids for the 2017-01 Street Improvement Project. The advertisement was published on March 12, 2017, and on March 19, 2017, in the *South-west Review* (the City's official newspaper). The advertisement was published on March 13, 2017, and on March 20, 2017, in *Finance & Commerce* (trade newspaper). The advertisement specified the work to be done and stated that the deadline for submission of bids was 2:00 p.m. on Friday, April 21, 2017.

Section 2. Bid Opening. On Friday, April 21, 2017, at 2:00 p.m. the bids were opened and tabulated at the offices of WSB & Associates, Inc. Don Sterna, City Engineer and Jennifer Dull of my office were present to act as designated officers and agents of the City at the opening and tabulation of the bids. The bids were opened and read aloud by Don Sterna. The bid results were as follows:

Danner, Inc.

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$332,467.10

Valley Paving, Inc.

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$299,952.42

Park Construction Company

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$333,962.85

Bituminous Roadways, Inc.

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$329,974.50

Northwest

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$341,358.68

Attached to this Memo please find the minutes of the April 21st bid opening.

Section 3. Lowest Responsible Bidder. Minnesota Statute § 412.311, subd. 1 and Minnesota Statute § 429.041, subd. 2 require cities to award contracts to the “lowest responsible bidder.” The phrase “lowest responsible bidder” does not mean the lowest bidder, but the lowest bidder who is most likely to do faithful, conscientious work and promptly fulfill the contract. In determining who the lowest bidder is, the courts have said that the council has reasonable discretion. The lowest bidder must be considered “responsible” to perform the proposed contract. “Responsibility” includes such things as the bidder’s financial responsibility, integrity, ability, skill, and likelihood of providing faithful and satisfactory performance.

The lowest responsible bidder among the bids received for Project 2017-01 was Valley Paving, Inc. in the amount of \$299,952.42. City Engineer, Don Sterna, is recommending that the contract be awarded to Valley Paving, Inc.

Section 4. Council Action. The bids will be considered by the City Council at the May 2, 2017 City Council meeting. At the May 2nd Council meeting, the Council will be asked to consider the attached proposed Resolution Accepting the Bid and Awarding the Contract to Valley Paving, Inc. for the 2017-01 Street Improvement Project.

Attachments

**CITY OF SUNFISH LAKE
St. Anne's Episcopal Church
Highway 110 and Charlton Road
Sunfish Lake, Minnesota**

Minutes of Bid Opening on Friday, April 21, 2017

SUNFISH LAKE 2017-01 STREET IMPROVEMENT PROJECT

Pursuant to an advertisement for bids for the 2017-01 Street Improvement Project, an administrative meeting was held on April 21, 2017 at WSB & Associates, Inc. at 701 Xenia Avenue South, Suite 300, Minneapolis, Minnesota, for the purpose of bid opening. Bids were opened by City Engineer Don Sterna from WSB & Associates, Inc. and read aloud.

Attending the meeting was:

Don Sterna, WSB & Associates, Inc.
Jennifer Dull, Paralegal for City Attorney
Three individuals representing three of the five bidders were also present

Bids were opened and read aloud by Don Sterna as follows:

First bid opened at 2:00 p.m.

Danner, Inc.

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$332,467.10

Second bid opened at 2:02 p.m.

Valley Paving, Inc.

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$299,952.42

Third bid opened at 2:04 p.m.

Park Construction Company

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$333,962.85

Fourth bid opened at 2:06 p.m.

Bituminous Roadways, Inc.

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$329,974.50

Fifth bid opened at 2:07 p.m.

Northwest

Bid bond and associated paperwork received

Addendums 1-4 acknowledged

Total Bid: \$341,358.68

The lowest bid was Valley Paving, Inc. at a total of \$299,952.42. Don Sterna's office will perform tabulations to confirm amounts and the final approval and award of the contract will be held before the City Council on or about May 2, 2017.

Submitted by:

Jennifer Dull, Paralegal
City of Sunfish Lake

**CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 17- _____

**RESOLUTION ACCEPTING BID AND AWARDING CONTRACT FOR THE
2017-01 STREET IMPROVEMENT PROJECT TO VALLEY PAVING, INC.
IN THE AMOUNT OF \$299,952.42**

WHEREAS, pursuant to an advertisement for bids for the 2017-01 Street Improvement Project bids were received, opened, read aloud, and tabulated according to law. The following bids were received complying with the advertisement:

Danner, Inc.

Bid bond and associated paperwork received
Addendums 1-4 acknowledged
Total Bid: \$332,467.10

Valley Paving, Inc.

Bid bond and associated paperwork received
Addendums 1-4 acknowledged
Total Bid: \$299,952.42

Park Construction Company

Bid bond and associated paperwork received
Addendums 1-4 acknowledged
Total Bid: \$333,962.85

Bituminous Roadways, Inc.

Bid bond and associated paperwork received
Addendums 1-4 acknowledged
Total Bid: \$329,974.50

Northwest

Bid bond and associated paperwork received
Addendums 1-4 acknowledged
Total Bid: \$341,358.68

WHEREAS, Valley Paving, Inc. is the lowest responsible bidder.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF
SUNFISH LAKE, MINNESOTA:**

1. The Mayor and Clerk are hereby authorized and directed to enter into a contract in the amount of \$299,952.42 with Valley Paving, Inc. in the name of the City of Sunfish Lake for the 2017-01 Street Improvement Project according to plans and specifications therefore approved by the Council and on file at the office of the City Engineer; the contract is hereby awarded to Valley Paving, Inc.
2. The City Clerk is hereby authorized and directed to return, forthwith, to all bidders, the deposits made with their bids except for the deposit of the successful bidder and the next lowest bidder shall be retained until the contract has been signed.

Adopted by the City Council of Sunfish Lake this 2nd day of May, 2017.

Richard Williams, Mayor

ATTEST:

Catherine Iago, City Clerk