CITY OF GRAND MARAIS, MINNESOTA
CITY COUNCIL RESOLUTION 2017-12

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GRAND MARAIS, MINNESOTA ACCEPTING BID AND AWARDING AND ASSIGNING CONTRACT

WHEREAS, pursuant to an advertisement for bids, dated February 27, 2017, for the Grand Marais Public Works Facility Project (the "project"), Bid Package No. 1, Bid Scope No. 3 Structural Steel & Metal Fabrications-Install Only (the "work"), bids were received, opened, and tabulated according to the law by the City's contracted construction manager, McGough Construction (the "construction manager"); and

WHEREAS, it appears that Northern Industrial Erectors, Inc. of Grand Rapids, Minnesota (the "contractor") is the lowest responsible bidder for the work with a bid of $49,150.00 based upon the recommendation of the City's construction manager.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The City Council authorizes and directs the city administrator to execute the letter, attached hereto and incorporated herein by reference as Exhibit A, from the construction manager, approving the bid in the above-stated amount from the above-named contractor as the lowest responsible bidder for the work based upon the recommendation of the construction manager;

2. The City Council hereby awards a contract for the work to the above-named contractor in the above-stated amount and in the form provided in the Bidding Documents, and authorizes and directs the mayor and city administrator to execute the letter of award, attached hereto and incorporated herein by reference as Exhibit B, to the above-named contractor awarding the contract and directing the contractor to enter into a construction contract with the construction manager, as assigned hereby by the City, on the approved contract form as contained in the Bidding Documents; and

3. The City Council hereby adopts, assigns, authorizes and directs the mayor and city administrator to execute the assignment letter, attached hereto and incorporated herein by reference as Exhibit C, to the construction manager, assigning the City's right to enter into the construction contract with the above-named contractor, for the work, to the construction manager.

PASSED by the City Council of the City of Grand Marais on this 29th day of March, 2017.

ATTEST

_____ _____

City Administrator Mayor

EXHIBIT A

McGough Construction

26 East Superior Street, Suite 203, Duluth, MN 55802
t 218.216.1501

BUILDING FOR THE NEXT GENERATION

www.mcgough.com

March 16, 2017

City Administrator Roth
15 N. Broadway
P. O. Box 600
Grand Marais, MN 55604

RE: City of Grand Marais Public Works Facility
Award Recommendation Letter to Northern Industrial Erectors, Inc.
Bid Package No. 1, Bid Scope No. 3 Structural Steel & Metal Fabrications-Install Only

Dear City Administrator Roth:

Following analysis of responses to bids for the scope of work as listed above, we recommend awarding the Structural Steel & Metal Fabrications-Install Only scope to Northern Industrial Erectors, Inc. based on their competitive bid and ability to meet schedule. Bids were in accordance with the contract documents and its requirements. A brief timeline of the entire bid and review process is as follows:

- The Request for Pricing & bid solicitation documents were sent to firms on February 27th, 2017.
- Advertisement of bid solicitation was posted with the Cook County News-Herald.
- Sealed bids were due by 1:00 p.m., March 10th, 2017.
- Eight (8) bidders were solicited for the Structural Steel & Metal Fabrications-Install Only scope, and seven (7) bids were received.
- The bids were tabulated and evaluated for accurate comparison.
- Attached is a detailed evaluation of the comparison for your review and record.
- Northern Industrial Erectors, Inc. has the low bid for the install only of the structural steel & metal fabrications.
- Northern Industrial Erectors, Inc.'s bid is $49,150.00, and is within budget.
- We request your immediate response so that we can maintain overall schedule.

Once we receive a signed Assignment Letter from the City of Grand Marais, we will draft a contract between McGough Construction and Northern Industrial Erectors, Inc.

McGough Construction

26 East Superior Street, Suite 203, Duluth, MN 55802
t 218.216.1501

BUILDING FOR THE NEXT GENERATION

www.mcgough.com

As timing is of the essence, please indicate your approval of this recommendation letter in the space provided below and email back a copy to me.

Sincerely,

Erik Johnson

Erik Johnson
Project Manager

EJ/cb

Attachment: Budget/Estimate Scope Review

McGough Construction Company, LLC

Erik Johnson 3/16/17

Erik Johnson Date:
Project Manager

Approved

_____

Mike Roth Date:
City Administrator

cc: Jim Frisell, Executive Vice President & Principal
Brian Durand, Senior Project & Operations Manager
File

EXHIBIT B

March 22, 2017

Grand Marais

Northern Industrial Erectors, Inc.
Bryan Hutchinson
2500 Glenwood Drive
Grand Rapids, MN 55744

via email – bhutchinson@nie-mn.com

Re: Grand Marais Public Works Facility
Award Letter Bid Package No. 1
Bid Scope No. 3 Structural Steel & Metal Fabrications - Install Only

Dear Bryan Hutchinson:

By this letter, the City of Grand Marais, MN ("City") awards the contract for Bid Scope No. 3 Structural Steel & Metal Fabrications - Install Only to Northern Industrial Erectors, Inc. for the above referenced project.

In lieu of entering into a direct contract with your entity and then assigning that contract to McGough Construction Co., LLC ("McGough"), the City assigned its right to enter into a binding contract with your entity to McGough. Attached please find the contract between McGough and your entity for this work.

Please return an executed copy of the contract directly to McGough, via email to Chris Barta, at chris.barta@mcgough.com.

Sincerely,

CITY OF GRAND MARAIS

_____

Jay Arrowsmith-DeCoux, Mayor Date:

_____

Mike Roth, City Administrator Date:

CC: Erik Johnson, Project Manager, McGough Construction

Box 600, Grand Marais, Minnesota 55604 (218) 387-1848 Fax: (218) 387-1966

EXHIBIT C

March 29, 2017

Mr. Jim Frisell
Executive Vice President & Principal
McGough Construction Co., LLC
2737 Fairview Avenue North
St. Paul, MN 55113

Re: Assignment Letter
Bid Package No. 1 Bid Scopes
Grand Marais Public Works Facility
Grand Marais, Minnesota

Dear Mr. Frisell:

The City of Grand Marais, MN ("City") has received competitive bids from various trade contractors for the Project. After reviewing those bids, the City has determined that contracts should be awarded to the successful bidders listed on Exhibit A attached hereto (the "Successful Bidders") in the amounts of the accepted bids.

The City has notified the Successful Bidders of the award. In lieu of entering into direct contracts with the Successful Bidders and then assigning those contracts to McGough Construction Co., LLC ("McGough"), the City desires to assign its right to enter into binding contracts with the Successful Bidders to McGough, whereupon McGough will enter into contracts directly with the Successful Bidders.

Therefore, the City hereby assigns its aforementioned right to enter into binding contracts with the Successful Bidders to McGough. By signing below, McGough hereby accepts the assignment and agrees to enter into contracts with the Successful Bidders as provided herein.

Sincerely,

CITY OF GRAND MARAIS

_____

Jay Arrowsmith-DeCoux, Mayor Date:

_____

Mike Roth, City Administrator Date:

Box 600, Grand Marais, Minnesota 55604 (218) 387-1848 Fax: (218) 387-1966

Approved:

_____

Jim Frisell Date:
McGough Construction Co., LLC

EXHIBIT A

Grand Marais Public Works Facility
Grand Marais, MN

Bid Package No. 1 Awarded Bidders

Bid Scope No. 1 - Precast Architectural Concrete
Fabcon Precast, LLC $382,000.00

Bid Scope No. 2 - Structural Steel & Metal Fabrications - Supply Only
Briese Iron Works, Inc. $94,250.00

Bid Scope No. 3 - Structural Steel & Metal Fabrications - Install Only
Northern Industrial Erectors, Inc. $49,150.00