

**TO: Honorable Mayor and City Council**

**FROM: City Administrator Ron Johnson**

**SUBJECT: Westside 2 Public Improvement Project- Alternates 1 and 2**

**DATE: April 18, 2016**

**BACKGROUND**

The memo included in the packet did not address the Public Works Commission's discussion on the two alternates in the project. Alternate 1 consists of the installation of a water main and sanitary sewer main on River Road, and Alternate 2 consists of the installation of crosswalk at the intersection of TH19 and 7<sup>th</sup> Street.

The Commission is recommending that Alternates 1 and 2 not be included in the approved contract with the successful contractor.

The items included in Alternate 1, if the decision to proceed is made, could be added as a change order to the base bid contract. The Committee felt that more discussion needs to take place regarding the potential construction of the River Road water and/or sewer main(s), and having the option of including this project through a change order at a later date would allow the time for this to happen. The Commission recommends, therefore, that Alternate 1 not be accepted.

As was discussed at the February 9 City Council workshop meeting, it was felt that MnDOT should fund the construction of a crosswalk at TH19 and 7<sup>th</sup> Street and recommends that Alternate 2 not be accepted.

**REQUESTED COUNCIL ACTION**

As recommended by the Public Works Commission, reject Alternates 1 and 2 of the Westside 2 Public Improvement Project.

Attachment(s): N/A

**TO: Honorable Mayor and City Council**  
**FROM: City Administrator Ron Johnson**  
**SUBJECT: Award 2016 Westside II Public Improvement Project**  
**DATE: April 14, 2016**

**BACKGROUND**

Four bid proposals were received for the 2016 Westside II Public Improvement Project. The City Council voted to use the Best Value Procurement method through which the proposals are evaluated on 1) the price bid, 2) contractor's performance on similar projects, 3) risk assessment, and 4) interview with the procurement committee.

The scores were evaluated and it was determined that S.M. Hentges & Sons, Inc. received the highest average overall score. The committee is recommending approval of S.M. Hentges & Sons, Inc. for the project.

Their base bid of \$1,982,578.47 is approximately \$350,750 under the engineer's estimate.

**REQUESTED COUNCIL ACTION**

Adopt the resolution authorizing execution of the 2016 Westside II Public Improvement Project contract with S.M. Hentges & Sons, Inc.

Attachment(s): Resolution; Letter from SEH



Building a Better World  
for All of Us®

April 13, 2016

RE: Cannon Falls, Minnesota  
2016 Street Improvements  
SEH No. CANNO 129637

Ron Johnson, City Administrator  
City of Cannon Falls  
918 River Road  
Cannon Falls, MN 55009

On 2:00 p.m., Thursday, March 17, 2016, four (4) bid proposals were received for the above-referenced project. The base bids ranged from a high of \$2,550,265.00 to a low of \$1,903,185.60.

	<b>Contractor</b>	<b>Best Value Score</b>	<b>Base Bid</b>	<b>Alt. 1</b>	<b>Alt. 2</b>
1	S.M. Hentges & Sons, Inc.	88.6	\$1,982,578.47	\$122,942.49 **	\$17,001.50
2	A-1 Excavating	80.0	\$1,903,185.60 **	\$119,979.15	\$14,756.05
3	Ryan Contracting Co.	74.8	\$2,200,590.90	\$154,472.00 **	\$18,586.50
4	Geislinger & Sons	51.0	\$2,550,265.00	\$164,037.50	\$23,323.00
Engineer's Estimate			\$2,333,328.00	\$188,647.00	\$15,811.50

*\*\* Denotes corrected figure*

The City of Cannon Falls bid this project using the Best Value Procurement method, as defined in Minnesota Statute 16C.02, sub. 4(a). A committee evaluated the proposals on four categories; 1) price bid (55 points maximum), 2) Contractor's performance on similar projects (15 points maximum), 3) risk assessment (15 points maximum), and 4) interview with the committee (15 points maximum). Interviews took place on April 6, 2016. The bidder with the highest average overall score will be considered for the project award.

Based on the Best Value score, S.M. Hentges & Sons, Inc., of Jordan, MN has the highest average overall best value score at 88.6 and a Base Bid in the amount of \$1,982,578.47.

This contractor has worked in Cannon Falls, on projects of various sizes. SEH engineers can conclude that S.M. Hentges & Sons, Inc. has the experience and ability to complete a project of this size.

Accordingly, we recommend that you proceed with the award. The award will be based on the base bid, using the best value score. The council can award either, both, or neither alternates at their discretion.

Sincerely,

Greg F. Anderson, PE  
City Engineer

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2016 Street Improvement  
 City of Cannon Falls  
 Project Number: 129637

EVALUATION RESULTS

		RANKING				
		1	2	3	4	
Contractor		S.M. Hentges	A-1	Ryan Contracting	Geislinger & Sons	
Base Bid Amount		\$1,982,578.47	\$1,903,185.60	\$2,200,590.90	\$2,550,265.00	
A	Evaluator	Category				
		1- Price Bid	51	55	43	29
		2- Contractor's Performance	13	12	11	12
		3- Risk Assessment	14	7	11	13
		4- Interview	14	8	12	0
	Total	92	82	77	54	
B	Evaluator	Category				
		1- Price Bid	51	55	43	29
		2- Contractor's Performance	10	11	8	11
		3- Risk Assessment	13	8	9	11
		4- Interview	13	8	7	0
	Total	87	82	67	51	
C	Evaluator	Category				
		1- Price Bid	51	55	43	29
		2- Contractor's Performance	12	10	12	11
		3- Risk Assessment	12	3	12	12
		4- Interview	14	2	12	0
	Total	89	70	79	52	
D	Evaluator	Category				
		1- Price Bid	51	55	43	29
		2- Contractor's Performance	12	10	11	11
		3- Risk Assessment	15	11	13	11
		4- Interview	15	8	12	0
	Total	93	84	79	51	
E	Evaluator	Category				
		1- Price Bid	51	55	43	29
		2- Contractor's Performance	9	10	12	10
		3- Risk Assessment	8	4	6	8
		4- Interview	14	13	11	0
	Total	82	82	72	47	
<b>TOTAL POINTS</b>		443	400	374	255	
Average Score (Based on 100 point scale)		88.6	80	74.8	51	

**CITY OF CANNON FALLS  
GOODHUE COUNTY, MINNESOTA**

**RESOLUTION NUMBER 2196**

**A RESOLUTION FOR ACCEPTING PROPOSALS**

WHEREAS, pursuant to an advertisement for bid proposals for the 2016 Street Improvement Project, West Side II Improvement Project, the proposed improvement of Hoffman Street West between the center line of Dow Street North and the center line of 6th Street North; Mill Street West between the center line of Dow Street North and the center line of 7th Street North; Floyd Street between the center line of Main Street West; and the center line of Hoffman Street West; York Street North between the center line of Main Street West and the center line of Hoffman Street West; 9th Street North between 200 feet south of the center line of Mill Street West and the center line of Hoffman Street West; 8th Street North between the center line of Mill Street West and the center line of Hoffman Street West; 7th Street North between the center line of Main Street West and 200 feet north of the center line of Hoffman Street West; State Street West from the center line of 6th Street North easterly to a point just west of the Little Cannon River (approximately one block); River Road between the center line of Stoughton Street West and the center line of St. Clair Street West by the construction of streets, sidewalks, storm sewers, sanitary sewers, water mains and service lines bid proposals were received, opened, and tabulated according to the law, and the following bid proposals were received complying with the advertisement:

	<b>Contractor</b>	<b>Best Value Score</b>	<b>Base Bid</b>	<b>Alt. 1</b>	<b>Alt. 2</b>
1	S.M. Hentges & Sons, Inc.	88.6	\$1,982,578.47	\$122,942.49 **	\$17,001.50
2	A-1 Excavating	80.0	\$1,903,185.60 **	\$119,979.15	\$14,756.05
3	Ryan Contracting Co.	74.8	\$2,200,590.90	\$154,472.00 **	\$18,586.50
4	Geislinger & Sons	51.0	\$2,550,265.00	\$164,037.50	\$23,323.00
Engineer's Estimate			\$2,333,328.00	\$188,647.00	\$15,811.50

*\*\* Denotes corrected figure*

AND WHEREAS, the City of Cannon Falls bid this project using the Best Value Procurement method, as defined in Minnesota Statute 16C.02, sub. 4(a). A committee evaluated the proposals on four categories; 1) price bid (55 points maximum), 2) Contractor's performance on similar projects (15 points maximum), 3) risk assessment (15 points maximum), and 4) interview with the committee (15 points maximum). Interviews were held on April 6, 2016. The bidder with the highest average overall score will be considered for the project award.

AND WHEREAS, S.M Hentges & Sons, Inc. received the highest overall score and, therefore, is the successful Best Value Procurement contractor;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CANNON FALLS, MINNESOTA.

1. The mayor and clerk are hereby authorized and directed to enter into the attached contract with S.M. Hentges & Sons, Inc. of Jordan, Minnesota in the name of the City of Cannon Falls for the 2016 Street Improvement Project. According to the plans and specifications therefor approved by the City Council and on file in the office of the city clerk.
2. The city clerk is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

**ADOPTED** by the City Council this 19<sup>th</sup> day of April, 2016.

**By:** \_\_\_\_\_  
Lyman M. Robinson, Mayor

**ATTEST:** \_\_\_\_\_  
Ronald S. Johnson  
City Administrator