



TO: Mayor Shaun Sipma
Members of the City Council

FROM: John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

DATE: November 20, 2018

SUBJECT: AUTHORIZE AWARDS FOR FOUR DEMOLITION CONTRACTS

I. RECOMMENDED ACTION

City Council authorize contract awards to lowest responsible bidders for four demolition projects at 430 Maple Ave. NE, 400 Maple Street, 205/215 Maple Street, and 614/701 4th Ave. NE

II. DEPARTMENT CONTACT PERSONS

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

III. DESCRIPTION

A. Background

These projects were previously bid twice with a decision both times to make no award. Several weeks ago, we held a workshop for companies interested in bidding to review the requirements and expectations of the bidding process under HUD rules. Bidding this time was both for each of the four individual projects as well as the option of one bid for all projects. The lowest responsible bid price for each of the four individual projects when totaled is \$6,000 less than the lowest responsible bid price for the one bid on all four projects. Therefore, the recommendation is to award the individual projects to the lowest responsible bidder.

The total lowest price for the four projects for the current bid is \$533,598 which compares favorably to the total for the first bid which was \$593,000 and the total for the second bid which was \$542,988. The Engineer Estimate for the current bid in total was \$642,490 which means the lowest responsible bids for each of the four projects is below the independent engineer's estimate and meets HUD's necessary and reasonable standards. Bidder interest in current bids were also higher than the previous two bids with eight companies attending bidders conference which is encouraging because we did expand our outreach efforts.

For each of the four individual bids, there were more bidders ranging from five to six, and with at least three from outside Minot. Our goal in the future will be to sustain such expanded interest to receive the lowest bid prices possible.

B. Proposed Project

Awards are recommended as follows to the lowest responsible bidder which, in each case, is also the lowest bid:

- 400 Maple Street structure demolition– project No. 3755.8 to Dig It Up Backhoe Service Inc. for \$60,680 (the independent Engineer Estimate was \$65,919)

- 430 4th Ave. NE structure demolition – Project No. 3755.7 to Dig It Up Backhoe Service Inc. in the amount of \$115,800 (the independent Engineer Estimate was \$138,517.50)
- 205 & 215 Maple St. structure demolitions – Project No. 3755.9 to Dig It Up Backhoe Services Inc. in the amount of \$185,697.00 (the independent Engineer Estimate was \$210,650)
- 614 & 701 4th Ave. NE structure demolitions – Project No. 3755.10 to Berger Enterprises, LLC in the amount of \$171,421.00 (the independent Engineer Estimate was \$227,403)

IV. IMPACT:

A. Strategic Impact:

Awards meet the HUD necessary and reasonable standards

B. Service/Delivery Impact:

Structures need to be demolished in support of flood control projects.

C. Fiscal Impact:

All costs including outside will be charged to CDBG-NDR acquisition/demolition/relocation allocation.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

VII. LIST OF ATTACHMENTS

- i.* CDM Smith Engineering review and recommendations including confirmation that lowest responsible bidders have no federal debarment status