

RED LAKE WATERSHED DISTRICT
Special Board of Manager's Meeting Minutes
August 5, 2021

President Dale M. Nelson called the meeting to order at 9:00 a.m. at the Red Lake Watershed District Office, Thief River Falls, MN.

Present: Managers: Dale M. Nelson, Gene Tiedemann, Terry Sorenson, Brian Dwight, Tom Anderson, Allan Page and LeRoy Ose. Staff Present: Myron Jesme and Tammy Audette.

The Board reviewed the agenda. A motion was made by Tiedemann, seconded by Ose, and passed by unanimous vote that the Board approve the agenda. Motion carried.

Discussion was held on the bids received for Pine Lake Flood Damage Reduction and Fish Habitat Project, RLWD Project No. 26B. After reviewing the apparent low bid by Wright Construction of Thief River Falls, Inc., Administrator Jesme and Engineer Nate Dalager, HDR Engineering, Inc., discussed three major bidding concerns as follows:

1. Wright Construction of Thief River Falls, Inc. water control structure unit price did not include appropriate cost considerations for steel, which was quoted as costing at least an additional \$50,000.
2. There was an error in the Wright Construction of Thief River Falls, Inc. riprap units/price, which the vendor quoted in tons, but the bid was entered in cubic yards, which resulted in a ~50% underbid for a reasonable price.
3. Wright Construction of Thief River Falls, Inc. mobilization bid price was only \$4,000, and mostly all other bid items were relatively small total dollar amounts as well, which did not allow for the Contractor to make up for, or account for, reasonable labor and material costs or profit anywhere within the over bid.

The Contractor has stated that his work would be conducted under severe cost and performance pressure, resulting in a significant risk to meeting specifications and as well as quality standards in the Engineers opinion.

Administrator Jesme stated that Wright Construction of Thief River Falls, Inc. has explained his mistakes on the bid and his reasons for rescinding his bid. A motion was made by Dwight, seconded by Tiedemann, based on the review from the Administrator, Legal Counsel and Engineer, to allow Wright Construction of Thief River Falls, Inc. to rescind his bid amount and move on to the next lowest bid. Motion carried.

Motion by Sorenson, seconded by Anderson, accept the apparent second lowest bidder, Davidson Construction, Inc., Newfolden, MN in the amount of \$342,162.00. Motion carried.

Motion by Ose, seconded by Page, to adjourn the meeting. Motion carried.



LeRoy Ose, Secretary