

A regular meeting of the City Council for the City of Canby, Minnesota was held on June 3<sup>rd</sup>, 2014 at 7:00 P.M. in the City Council Chambers.

Members: Gene Bies, Nancy Bormann, Frank Maas, Nate Oellien

Absent: Denise Hanson

Visitors: Nicholas Johnson, City Administrator  
Gerald Boulton, City Attorney  
Dean Helstrom, City Engineer  
Larry Duis, City Fire Chief  
Ryan Feiock, Canby News  
Jody Olson

The Pledge of Allegiance was recited.

The meeting was called to order.

The minutes of May 20<sup>th</sup>, 2014 were reviewed. A motion was made by Maas and seconded by Bormann to approve the minutes. All voted in favor. None voted against. The motion was carried.

The Council heard recommendation from the Planning Commission regarding a variance request by Catherine and Perry Fink. The Planning Commission recommended approval of the variance. A motion was made by Oellien and seconded by Maas to approve the variance request. All voted in favor. None voted against. The motion was carried.

The Council reviewed the bid tabulation for the airport slurry seal project. The apparent low responsible bidder was Struck and Irwin Paving from DeForest, WI in the amount of \$130,211.00. A motion was made by Bormann and seconded by Maas to award Struck and Irwin Paving. All voted in favor. None voted against. The motion was carried.

Dean Helstrom reviewed the Canby Infrastructure Project – Phase I bids with Council. Resolution 2014-6-3-1, a resolution accepting bids, was reviewed. A motion was made by Bormann and seconded by Maas to adopt the resolution. All voted in favor. None voted against. The motion was carried.

## **City of Canby**

### **Resolution 2014-6-3-1**

#### **Resolution Accepting Bid**

WHEREAS, pursuant to an advertisement for bids for Infrastructure Replacement Project - Phase I, the improvement now includes the following: area located east of St. Olaf Avenue (US

TH 75) from 1st Street East (MN TH 68) on the south to 5th Street East on the north; the area located south of 1st Street South from Lyon Avenue South on the west to Ring Avenue South on the east and goes south to Division Street and the area of Oscar Avenue from 5th to 8th Street including 8th Street from St. Olaf to Oscar Avenue in the City of Canby bids were received, opened, and tabulated according to the law, and the following bids were received complying with the advertisement and addendums:

<u>Contractor</u>	<u>Bid Amount</u>
Kuechle Underground, Inc. (Kimball, MN)	\$8,132,451.84
R.L. Larson Excavating, Inc. (St. Cloud, MN)	\$8,811,297.80
Duininck, Inc. (Prinsburg, MN)	\$8,628,665.25
Carstensen Contracting, Inc. (Pipestone, MN)	\$9,080,047.06
Quam Construction Co. Inc. (Willmar, MN)	\$9,572,581.43

AND WHEREAS, it appears that Kuechle Underground, Inc. of Kimball, Minnesota is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CANBY, MINNESOTA:

1. The mayor and clerk are hereby authorized and directed to enter into the attached contract with Kuechle Underground, Inc. of Kimball, Minnesota in the name of the city of Canby for the Infrastructure Replacement Project - Phase I according to the plans and specifications therefor approved by the City Council and on file in the office of the City Administrator.
2. The City Administrator 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 2<sup>nd</sup> day of June, 2014.

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Administrator

*\*The contract must be let within one year of the adoption of the resolution ordering the improvement unless that resolution specified a different time limit. (Minn. Stat. § 429.041, subd. 1.)*

*The council has wide discretion in determining responsibility of bidders. (State v. Snively, 175 Minn. 379, 211 N.W. 535 (1928); Otter Tail Power Co. v. Elbow Lake, 234 Minn. 419, 49 N.W.2d 197 (1951)). The statute formerly requiring more than one bid has been repealed (see Laws 1959, Ch. 261). In any event, it never did apply where the contractor was to furnish both labor and materials. (Otter Tail Power Co. v. Elbow Lake, supra.)*

*If council is using the best value contracting procurement method (Laws 2007, Ch. 148, Art. 3), this form would be adjusted to indicate the best value rather than the lowest responsible bidder.*

*The law permits the contract to be awarded to the next lowest bidder in case the lowest bidder fails to enter into a contract. For this reason it seems desirable to retain the deposit not only of the lowest bidder but also of the next lowest, until a contract has been entered into.*

*The council does not have to award the contract at the time of opening and/or initial consideration of bids provided council reserves this right in the advertisement for bids.*

Larry Duis presented information regarding the replacement of an air condition unit and two furnace units at the Fire Hall. The units are failing after 28 years of service. Three quotes were obtained from CAS, Anhalt, and Vick's. CAS had the lowest quote at \$8,125.00 with the option of upgrading to a heat pump for an additional \$670. Anhalt and Vick's quote \$8,775.00 and \$8,987.00, respectively. A motion was made by Oellien and seconded by Bormann to approve CAS quote with heat pump addition. All voted in favor. None voted against. The motion was carried.

A purchase agreement with Kerasotes to acquire the digital equipment for the theater was reviewed. A motion was made by Maas and seconded by Bormann to approve the contract. All voted in favor. None voted against. The motion was carried.

The Council reviewed the USDA RBEG grant-loan to Husby Properties, LLC. The amount of the loan is \$30,000 at 2.5% for 10 years. A motion was made by Maas and seconded by Bormann to approve the loan. All voted in favor. None voted against. The motion was carried.

A lease agreement with Husby Properties, LLC for the rent of the Canby II Theater was reviewed. A motion was made by Bormann and seconded by Maas to approve the agreement. Bies, Maas, and Bormann voted in favor. Oellien voted against. The motion was carried.

Vendor transactions for May 2014 in the amount of \$196,916.56 were reviewed. A motion was made by Bormann and seconded by Oellien to approve the transactions. All voted in favor. None voted against. The motion was carried.

Licenses and permits were reviewed:

1. Off Sale Beer – Casey's General Store
2. On Sale Beer – Lancer Lanes & P.K. Egans

A motion was made by Maas and seconded by Bormann to approve the licenses and permits. All voted in favor. None voted against. The motion was carried.

A motion was made by Maas and seconded by Oellien to adjourn the meeting. All voted in favor. None voted against. The motion was carried.

Attest:

---

Mayor

---

City Administrator