



## SPECIAL CALL BOARD MEETING MINUTES

TUESDAY MAY 31, 2011 12:00 P.M.

### COEUR D'ALENE CITY HALL – OLD COUNCIL CHAMBERS

#### 1. CALL TO ORDER

Chairman Denny Davis called the LCDC Special Call Board meeting to order at noon.

LCDC Board members present: Elder, Davis, Colwell, Hassell, Hoskins, Jordan. LCDC staff present: Berns, Hollibaugh. LCDC legal counsel present: Quade (Hawley-Troxell Law Firm).

#### 2. PUBLIC COMMENT

Guests Present: Dale Baune, Tom Hasslinger, Stacy Hudson, Jon Mueller, Mic Armon, Brad Marshall, Jim Cameron.

Public Comment: No public comment provided.

#### 3. EDUCATION CORRIDOR INFRASTRUCTURE PROJECT

##### Phase 1A: Construction Contract Bid Discussion / Award

Commissioner Davis asked Dale Baune of JUB Engineers to review JUB's analysis of the Education Corridor bid packets received from the following organizations:

- MDM Construction, Inc. (Hayden, ID)
- Red Diamond Construction, Inc. (Opportunity, WA)
- Contractors Northwest, Inc. (Coeur d'Alene, ID)
- Knife River Corp. NW (Coeur d'Alene, ID)

Mr. Baune shared that JUB's process for reviewing the bid packets included the following elements:

- JUB checked all bid packets for math errors (3 of the 4 bid packets contained minor math errors that were corrected; the low bid provided my MDM construction contained no math errors and thus remained the low bid). Final bid values following JUB math corrections are depicted below:

- MDM Construction, Inc. \$3,690,050.10 (low bid)
- Contractors Northwest, Inc. \$3,704,200.25
- Red Diamond Construction, Inc. \$3,719,208.18
- Knife River Corp. NW \$3,852,207.25

- JUB checked that all contractor applicants were properly licensed, and that all bond and affidavit documentation was properly submitted by each contractor.

Mr. Baune shared that all contractor applicants are reputable firms in the region, and that he was pleased to see a very tight bid spread for Phase 1A which indicates that all of the contractors saw consistency in the design plans, and thus no real “red flag” design issues were identified.

Mr. Baune shared that JUB has no issues or concerns with LCDC awarding the bid to the low bidder. Mr. Baune shared that MDM Construction is a local company, whose principals are well known in the community. MDM’s forte is underground utility work, which is a key component of the Phase 1A Education Corridor project.

- Commissioner Elder asked if JUB’s math corrections had changed the low bidder, what would have happened?
  - Mr. Baune shared that bid packet guidelines are well established in Idaho, and that bidders know how their proposals will be received. Bid packet unit prices per line item element as submitted are the values used to calculate total costs. Contractors cannot change their submitted unit price values after submission so any math error corrections stand on their own.
- Commissioner Elder asked if JUB was surprised at the lower bids vs. the JUB engineer’s cost estimate?
  - Mr. Baune shared that no, he was not surprised and that LCDC will benefit from a very competitive construction market.

**Motion by Commissioner Elder, seconded by Commissioner Hoskins to award the Phase 1A Education Corridor construction contract to MDM Construction, Inc. for the submitted contract bid price of \$3,690,050.10, also authorizing the LCDC Ex. Director to sign the notice of award and sign contract documents as prepared and submitted.**

**Discussion:**

*Commissioner Davis asked if the traffic signal cost on page 2 of the JUB bid analysis document was duplicative of the LCDC Board’s approved expense towards the Hubbard/NW Boulevard traffic signal? Mr. Baune shared that no, the cost is not duplicative; the noted cost is the contractor’s cost to install the LCDC purchased traffic signal and supply additional traffic signal parts as needed.*

*Commissioner Colwell asked when the selected contractor can start, and when will the selected contractor finish the Phase 1A contract? Mr. Baune shared that he hopes the selected contractor can start within the next two weeks. As for*

*a completion time frame, the selected contractor will need to live by the contract specifications wherein there are drop dead dates for completion of certain project components.*

**Acknowledgment** – Commissioner Davis advised that his law firm has performed some legal services for one of the contractor applicants, but that applicant was not the low bidder.

**Motion carried.**

#### 4. PUBLIC COMMENT

Mic Armon, on behalf of the North Idaho College (NIC) Board of Trustees, thanked the LCDC Board for their partnership on the Education Corridor initiative. Mr. Armon shared that implementation of the vision of an Education Corridor has been a long-term effort, and that all of the partners (NIC, University of Idaho, City of CDA, LCDC, Lewis Clark State College, Fort Grounds Neighborhood Association) have been working together for the past 10 years to make the vision a reality. Mr. Armon shared that he views the development of public infrastructure in the Education Corridor a very good use of LCDC funds, that will result in a tremendous benefit to the community. Mr. Armon also thanked JUB for their effort in the process.

- Commissioner Davis thanked Mr. Armon for his comments, and concurred that the Education Corridor initiative/vision is a strategic long-term commitment to the community.
- Commissioner Hassel shared that when he was mayor in 1995, the Education Corridor vision was a strategic goal at that time. The current economic environment offer a great time for municipal financing efforts like the Education Corridor and the ongoing enhancement to the City's wastewater treatment plant.

#### 5. ADJOURN

**Motion by Commissioner Hoskins, seconded by Commissioner Colwell to adjourn. Motion carried.**

The LCDC Special Call Board meeting adjourned at 12:25 p.m. Minutes prepared and submitted by Tony Berns.