

**Minutes of Special Meeting
Souris River Joint Water Resource Board
Monday, September 30, 2024**

A special meeting of the board of directors of the Souris River Joint Water Resource District was called to order by Chairman David Ashley at 8:00 a.m. on Monday, September 30, 2024, after announcing that a quorum was present. The meeting was held via Microsoft Teams/Teleconference. Joint Board members in attendance were Tom Klein, Clif Issendorf, Dan Steinberger and Jason Sorenson.

The Joint Board discussed the proposed Agenda for the meeting, which included the bid opening results for Phase MI-6B.

Ryan Ackerman explained review of the bids for construction of the MREFPP Phase MI-6B, South Downtown/Roosevelt Park. The bid tabulation for the sealed bids that were submitted, opened and read publicly on September 10, 2024 were provided to the Joint Board. Two bids were received, those being from Park Construction and Wagner Construction. The bids were evaluated for conformance with the bidding requirements as listed in the Instructions to Bidders and Bid Form and were as follows:

- Contract No. 1 (levee and flood wall construction): The engineer's estimate for Contract No. 1 was \$28,662,062.75. The bid from Park Construction for Contract No. 1 was \$42,533,199.06 and Wagner Construction was \$41,014,681.97.
- Contract No. 5 (pump station construction): The engineer's estimate for Contract No. 5 was \$11,080,040.75. The bid from Park Construction for Contract No. 5 was \$23,191,119.11 and the bid from Wagner Construction was \$16,791,506.70.
- Contract Nos. 1 and 5 (Contracts 1 and 5 separately bid and added together): The Contract No. 1 and 5 total engineer's estimate was \$39,742,103.50. The bid from Park Construction for Contract Nos. 1 and 5 is \$65,724,318.17 and Wagner Construction was \$57,806,188.67.
- Contract No. 9 (combined Contracts 1 and 5 as one contract): The engineer's estimate for Contract No. 9 was \$39,069,728.50. The bid from Park Construction for Contract No. 9 was \$52,818,280.15 and Wagner Construction was \$55,350,188.73.

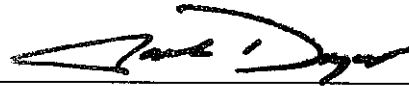
The bids from Park Construction were 35.2% over the Engineer's Estimate for Contract No. 9 and Wagner Construction was 41.7%. Ryan Ackerman indicated the bids are a signal of the construction market we are currently in. Jerry Bents of Houston Engineering, who had conversations with contractors who bid and several potential bidders who opted not to bid, indicated a big reason for contractors not bidding was driven by there being lots of other good work out there. Location also has driven several bidders away.

Chairman Ashley indicated concerns over the large increase, considering the engineer's estimate had also increased. Chairman Ashley indicated the Joint Board may control prices going forward if bids are not accepted. Jason Sorenson indicated that cost increases are evident on many local projects and the citizens of Minot are looking forward to the projects being constructed. Chairman Ashley made three suggestions including: (1) rejecting the bids and bidding the pump station separately; (2) get a little bit of work done in terms of the pre-consolidation pile by using Wagner's pricing on MI-7 and have them do that; or (3) groundwork in terms of utility items that are logistical problems between Phases 6 and 7.

Clif Issendorf questioned why the pump station work needs to be subbed out by the contractors. Ryan Ackerman responded that the flood control projects are complicated and require a number of different specialties and specialty trades. Those specialties are a significant cost drive in the context of the overall project costs. Wagner and Park do not traditionally do vertical construction like pump stations. So they are looking at the availability of their own crews and need to sub out portions of the project. Ryan Ackerman indicated there is lower risk to the SRJB by bidding as a single contract from a contract liability perspective. However, there is also the economic liability perspective. There is a real risk that re-bidding could result in prices coming back higher if the current bids are rejected.

Clif Issendorf made a motion to accept the low bid of Park Construction for Contract No. 9 in the amount of \$52,818,280.15 and authorize the Chairman to sign the contract documents on behalf of the SRJB. Jason Sorenson seconded the motion. A roll call vote was cast. Tom Klein, Clif Issendorf and Jason Sorenson voted in favor of the motion. Dan Steinberger and Chairman Ashley voted in opposition to the motion. The motion carried.

Chairman Ashley declared the meeting adjourned.



Jack Dwyer
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