

RED LAKE WATERSHED DISTRICT
Special Meeting
Board of Manager's Minutes
June 6, 2019

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

Present were: Managers Terry Sorenson, Gene Tiedemann, Dale M. Nelson, and Allan Page. Absent: Les Torgerson, Brian Dwight and LeRoy Ose. Staff Present: Myron Jesme and Tammy Audette and Legal Counsel Sparby.

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

Legal Counsel Sparby stated that the District received notice from the Minnesota Department of Labor and Industry that the District did not comply with the Prevailing Wage requirements in the Plans and Specifications and bid request for RLWD Ditch 16, RLWD Project No. 177.

Engineer Nick Pribula, Pribula Engineering, Inc., stated that the Plans and Specifications referenced the Prevailing Wage and Statute requirements, but did not specifically include the prevailing wage rates, prevailing hours of labor and hourly basic rates of pay as required.

Discussion was held on the pros and cons of rejecting all bids received and then rebid the project to include the Prevailing Wage requirement. Administrator Jesme stated that the project is receiving funds from the Red Lake River 1W1P for the installation of side water inlet culverts, which are considered State funds, therefore Prevailing Wage is required.

Administrator Jesme discussed the need to complete the installation of the box culvert on Highway 220 prior to beet harvest and delaying the award of the contract would clearly jeopardize completion in a timely manner.

The Board reviewed correspondence from Nick Biermaier, Project Estimator from Burski Excavating, Inc. who submitted the apparent low bid. Administrator Jesme stated Biermaier submitted a breakdown of costs to include the Prevailing Wage rate requirements. Jesme stated that Burski Excavating, Inc. is requesting an additional \$118,078.30, in addition to their bid price, to comply with the Prevailing Wage Requirements. Jesme stated that if the District agrees to the increase, the increased amount should be spread out on a percentage basis to all the individual unit rates as submitted in the bid. This would assure we have accurate unit prices should any change orders occur.

Motion by Tiedemann, seconded by Sorenson, to accept the bid from Burski Excavating, Inc., as revised to include the applicable prevailing wage rates as designated by the Department of Labor and Industry, in the amount of \$1,572,196.70, which includes the increase in the amount of \$118,078.30, and to reflected the increase to each unit rate item, for construction of RLWD

Ditch 16, RLWD Project No. 177. Motion carried. Legal Counsel Sparby recommended having the contractor sign off on the revisions of the submitted bid, indicating agreement with the prevailing wage rate schedule. The contractor is required to submit payroll reports to ensure compliance with the Prevailing Wage requirements. It was noted that even with the prevailing wage rate revision, that Burski Excavating, Inc. was still the lowest responsible bidder.

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

A handwritten signature in cursive script that reads "Terry Sorenson".

Terry Sorenson, Secretary