



City Council Memorandum

To: Mayor Fasbender & City Council Members
From: Justin Fortney, City Planner
Date: February 6, 2023
Item: Award Contract - City Hall HVAC Project – Burnn Boiler and Mechanical LLC.

COUNCIL ACTION REQUESTED

Council is requested to consider adoption of the attached resolution awarding the contract for the City Hall HVAC project to Burnn Boiler and Mechanical LLC.

BACKGROUND INFORMATION

As part of the larger City Hall repair project for which we were appropriated two million dollars of State General Obligation bonds, this HVAC work will replace the boilers and modify the air handlers to lower building humidity. The bids were due for the project on December 9th, 2022 at 2:00 p.m.

There were four bids received. The lowest bid indicated that the city was to provide a major component. At the direction of the City Attorney, that bid was disqualified since it was materially different than the project specifications. Even in the event they later promised to supply the component at their own expense, the original bid was not valid.

<u>Bidder</u>	<u>Total Bid</u>	
Cool Air Mech - Ham Lake, MN	\$545,000	disqualified
<u>Burnn Boiler and Mechanical INC - Fargo ND/ Lexington, MN</u>	<u>\$588,000</u>	
Magnuson Construction - Minnetonka, MN	\$754,484	
Total Mech - St. Paul Park, MN	\$926,567	

The difference in price from the lowest bid that was disqualified and the second lowest apparent bid is \$43,000. If approved, the contractor would immediately order parts and equipment with work beginning soon after the heating season.

POST-BID CONTRACTOR QUALIFICATION REVIEW

Burnn Boiler and Mechanical LLC submitted two recent project references, which included very similar work to the City Hall project. The references were contacted by city staff and Emanuelson-Podas (project HVAC engineers). References indicated Burnn’s proficiency to complete the work as required.

STAFF RECOMMENDATION

Staff is recommending that the City Council adopt the attached resolution awarding the contract to Burnn Boiler and Mechanical LLC. in the amount of \$588,000.

ATTACHMENTS

- RESOLUTION – AWARD CONTRACT

CITY OF HASTINGS
 DAKOTA COUNTY, MINNESOTA
 RESOLUTION NO. _____

RESOLUTION RECEIVING BIDS AND AWARDING CONTRACT FOR THE 2023 CITY HALL HVAC PROJECT

WHEREAS, pursuant to an advertisement for bids for the City Hall HVAC Project, where bids were opened on December 9th, 2022 at 2:00 p.m. as advertised and tabulated according to law, and the following bids were received by the deadline:

<u>Bidder</u>	<u>Total Bid</u>
Cool Air Mech - Ham Lake, MN	\$545,000
Burnn Boiler and Mechanical INC - Fargo ND/ Lexington, MN	\$588,000
Magnuson Construction - Minnetonka, MN	\$754,484
Total Mech - St. Paul Park, MN	\$926,567

and

WHEREAS, Cool Air Mechanical, INC's bid was disqualified due to it being materially different than the project specifications, and

WHEREAS, the city's consultant HVAC Engineer and city staff have sufficiently researched Burnn Boiler and Mechanical INC's past project references as the lowest qualified bidder, and found they have performed similar work with the proficiency required, and

WHEREAS, it appears that Burnn Boiler and Mechanical INC is the lowest valid responsible bidder.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HASTINGS AS FOLLOWS:

1. Award the contract to Burnn Boiler and Mechanical INC. in the amount of \$588,000.00
2. The Mayor and Clerk are authorized to execute a contract with Burnn Boiler

ADOPTED BY THE CITY COUNCIL OF HASTINGS, MINNESOTA, THIS 6TH DAY OF FEBRUARY, 2023.

Ayes:

Nays:

ATTEST:

Kelly Murtaugh, City Clerk

Mary Fasbender, Mayor

SEAL