



Special Board Meeting
June 5, 2018
Meeting Minutes

R. Keller called the meeting to order at 7:00 pm and the Pledge of Allegiance was recited.

Members Present: Chairperson R. Keller, Vice Chair B. Seekon, Supervisor L. Johnson, Supervisor C. Cagle, Supervisor T. Nelson

Members Absent: None

Others Present: Clerk K. Wood, Engineer J. Pelawa, 5 people (signed in).

R. Keller said the bids were opened yesterday and he was ecstatic about how low the bids came in. He stated that the purpose of the meeting is to talk about the bids.

The low bid was Knife River

Schedule A: \$672,578.70

Schedule B: \$179,242.80

Schedule C: \$472,065.15

Double Chip Seal Bids

Allied Blacktop Co. \$219,032.04

Fahrner Asphalt Sealers, LLC. \$398,114.84

R. Keller asked what the Board thought about the bids. B. Seekon said it is a concern because it is \$1.3 million for just this phase. There was a lot of discussion as to how the bids went out. T. Nelson said the numbers were off by 15 miles. J. Pelawa said the numbers are in square yards. T. Nelson said they should have been in miles. B. Seekon asked to see the actual bid documents to see what the companies bid on.

J. Pelawa did some calculations and found that the square yardage matched the abstract on the bids. T. Nelson reiterated that they want to make sure the square yardage matches the amount of miles. Again, B. Seekon said he wanted to see the bid documents. J. Pelawa said he checked 341st Street and it came out right. R. Keller said to check all the roads and J. Pelawa responded, "It will take me an hour". R. Keller said, "No, it won't". J. Pelawa calculated Ivywood North of County Road 19.

J. Pelawa guaranteed the Board that they are only going to pay the company for the work they do. If it is under then they do not pay the total quote. The total is going to be charged based on the work the companies do..

B. Seekon confirmed that none of the companies went out to the roads during the bidding process. J. Pelawa said that is correct. B. Seekon said that is not how it is done in his line of work. R. Keller said they bid off of the bid schedule and by the unit price. It is not a lump sum price. Ivywood South starts at 22' wide and goes down to 20'.

T. Nelson said he wants to see the conversion.

8.41 miles for the 2" Schedule A

3 miles for 1.5" Schedule B

5.87 Double Chip Seal Schedule C

17.29 miles total

Approximately \$78k per mile for 2"

Approximately \$60k per mile for 1.5"

R. Keller said the above numbers are lower than they had anticipated.

R. Keller said Allied came in really low for double chip and Fahrner came in almost double. B. Seekon said they should blacktop the roads and not do the double chip seal. B. Seekon also said he does not think millings should go at the end of the roads/hammer handles. He feels they should pave the whole thing so they look nice. C. Cagle agrees they should be blacktopped.

L. Johnson said they bid out double chip and Fahrner is very reputable. State law says they have to take the low bid unless they can prove they are not a responsible bidder. J. Pelawa said they could reject all of the double chip bids and accept schedule C. There was discussion regarding whether or not to reject the double chip bid.

B. Seekon asked what percentage of bids go over what they are quoted. J. Pelawa said they typically they add 5-10 percent depending on how accurately they were measured. The total price may change but the square yard price will not change. T. Nelson said he added plenty of 'fluff' in his measurements. T. Nelson said they figured the radiuses at 100'. J. Pelawa said all of the little things like bump outs, turnarounds, etc. add up. The Township is not doing bump outs. T. Nelson asked how the Township is going to keep track of the road widths and J. Pelawa said the Township will have an inspector. R. Keller said M. Fehrman will be the inspector on this to make sure they are not making the road wider than the Township expected.

T. Nelson suggested having Knife River come in and discuss concerns at the pre-con meeting. B. Seekon said it is too vague. J. Pelawa said that is why this is bid by square yard. L. Johnson said R. Keller and T. Nelson *fluffed* the mileage to ten percent. J. Pelawa said based on what they are saying, yes. L. Johnson said based on what he is hearing, it might be 5 or 6 percent less than the bid and J. Pelawa said that it is likely based on what he is hearing from R. Keller and T. Nelson. C. Cagle said she always likes to error on the side of it being a little more than expected. J. Pelawa then said if it is more, it will not be much more. R. Keller said it may be more if they had planned on 22' for the width and they change it to 24' wide. Again, J. Pelawa stated that is why it is bid by the square yard.

J. Pelawa said it could not be bid out by the mile because the road widths vary. R. Keller asked if they could move on from the topic. B. Seekon said he would like to make sure nothing is missed. He said there are not any specs and R. Keller said there are specs. B. Seekon asked if it includes details regarding information such as radiuses and meet up to driveways. J. Pelawa and R. Keller responded, that it says it by the square yard. B. Seekon said that is not what he is asking. He wanted to know if it said in writing what is going to be done. B. Seekon said, "Well, then that is a lie, do not say it says it if it does not". R. Keller said "no, it does not say every little detail; it doesn't say I'm going to go to Rick Keller's driveway and add ten feet". R. Keller stated that it says roads are going to have different sized radiuses. R. Keller stated that is why it is bid by the square yard. B. Seekon said it is fine to move on from the topic, but feels the "devil is in the details".

L. Johnson said generally Knife River does the pre-work. R. Keller talked to Knife River today and did not get bid the way he wanted it because J. Pelawa had short notice. He said J. Pelawa did an awesome job with what he did have. A project like this is normally a 3 or 4 year project. The bid does not include the steel drum roller. The Township's packer will not do it and the gravel needs to be smooth. There cannot be a crown on the road. R. Keller explained the process to the Board. They need to ask the company to do the prep work versus us doing it. Todd at Knife River will do it at his cost. R. Keller said another benefit of having them do the prep work is if something is wrong, then it is on Knife River. C. Cagle asked if he got it in writing. R. Keller said no, but he is going to get the number from Knife River. This number will be in addition to the bid number received. R. Keller said it will not be much. B. Seekon said he is disappointed that it was not included. T. Nelson said it should have been included in the bid.

C. Cagle asked Jason Pearson from Fahrner if they factored in the prep. He said no. He included the kick outs for the driveways. He included the sweeping in between the lifts and included watering it before it. L. Johnson asked J. Pearson why their bid was so much higher than Allied. J. Pearson said they are really picky when it comes to double chip sealing and it is getting late in the season. Oil prices have spiked and they bid it a little high because they did not care for the specs. He was not aware that they were going to bid it that high. There was discussion regarding blacktopping versus double chip sealing the roads. There are 5.87 miles. R. Keller would like to see someone make a motion either way.

T. Nelson made a motion to reject the double chip seal bids. L. Johnson seconds. L. Johnson said with the double chip said they have to add another chip layer each 7 years and with blacktop it is laid down and it only needs crack sealing. The Board continued to discuss the advantages of blacktop versus double chip seal. **All in favor, motion carried.**

R. Keller said that J. Pearson was here to talk to the Board. J. Pearson asked if Fahrner could double chip seal 340th Street east of Falcon Avenue to try it out the way they would like to do it. It would be \$25k with fog or \$23k without fog. It does not include any shaping. There was discussion regarding whether or not that is the best road to do. There is a farm on the road owned by Mike Peterson. There is a farm in Wisconsin and they have not had a problem. This would give the Township a test for the next phase. Kale Avenue was another option, but it is a longer road with a curve. J. Pearson said he did physically go out and look at the road and B. Seekon thanked him. J. Pearson noted that Kale Ave on the bid spec sheet was incorrect. There was

further discussion regarding residents on the road and fogging versus not fogging. There was discussion about the timeline of the jobs.

B. Seekon made a motion to approve Fahrner to double chip seal 340th E of Falcon without fogging. T. Nelson seconds. The Board feels it is a good test. R. Keller said they would all love to see some double chip. **All in favor, motion carried.**

D. Milles asked if everything on Schedule C will be blacktopped except for 340th Street. R. Keller said they need to evaluate it because they might not be able to do all of Schedule C. L. Johnson said they asked for \$835k and they do not pay for the work until after it is done. R. Keller said they will know about the financing at the Board meeting. L. Johnson said the projects will be contingent on financing. B. Seekon said they know the numbers are not right because they missed the prep work. They are on phase one which includes approximately 17 miles of gravel for \$1.3 million dollars and there is still another ten miles left. He said they are really close to the \$1.5 million figure he initially heard will do all of the roads. B. Seekon said initially they were going off of 39 miles of gravel roads. T. Nelson said they figured \$150k for prep work. They put a moratorium on the gravel and they had \$350k left over. B. Seekon said he does not think the numbers are anywhere close to what he was told they were going to come in at and this is one of the reasons he quit the road committee. R. Keller said the bids came in lower than they thought. L. Johnson said he does not remember the \$1.5 million number either. R. Keller asked B. Seekon to show him that number and B. Seekon said he knows that is the number he has heard and he has been lied to.

C. Cagle said the public was told they needed \$1.5 million and they were awarded a cap of \$2 million. T. Nelson said they would not have said \$1.5 when the document said \$1.7 million. R. Keller said they are not even looking at the bad roads. B. Seekon feels that it is already looking bad and it is not adding up. R. Keller said it would have been nicer if we would have had more time. B. Seekon said that it is nice that they have put that much time into all of this.

R. Keller said they can do A and B and they need to look at C because they are not able to do all of them. B. Seekon said the culverts changed from concrete to steel and T. Nelson said that had to do with cost. C. Cagle asked how much R. Keller feels Knife River will charge for their prep work. He said \$1k a road. J. Pelawa said maybe \$20k total. This is just a guess. R. Keller said if the number is high, Maintenance can do it. B. Seekon said that is time they are not doing their everyday work. R. Keller said Knife River has been around a long time and they will do a good job.

L. Johnson said A and B \$690k and the bond \$835k – \$20k for prep work \$125k + \$250k from Road and Bridge (\$90k for Hemingway is already there). There was discussion regarding the funding. T. Nelson said there is no chloride or gravel being purchased this year. T. Nelson said the money for Hemingway Avenue should have been set aside already so that should not be coming out of this. R. Keller said it was put into the Road and Bridge fund. L. Johnson said it was lumped in and not a separate line item.

Chisago Lake Township

Sherry Stirling was here to talk about sharing the Ivywood Trail road cost with Lent Township. Their portion of the road has to be 3.5" and they will absorb the cost.

Chisago Lake Township is agreeing to pay for their portion of Ivywood North at the rate Knife River quoted. R. Keller said it is about a mile and a half. S. Stirling said it does not make sense to have Lent's portion blacktop and then their portion gravel.

Lent will do the project and Chisago Lake will reimburse Lent Township. Total is 1.25 -1.5 22' – 24' wide. S. Stirling will get the details on the length and width.

C. Cagle made a motion for the Township of Lent to pay for Chisago Lake Township's portion of Ivywood Trail from the Township line to County Road 14 at the 2" rate and the 1.5" rate per square yard quoted to Lent Township from Knife River and Chisago Lake Township agrees to reimburse Lent Township. B. Seekon seconds. S. Stirling said they meet on the third Tuesday of each month. S. Stirling said their Engineer will write something up. There was discussion regarding base coat versus wear coat. Our mix is ¾" rock. S. Stirling said they use lime rock on their shoulders instead of gravel. Sherry will come to the pre-construction meeting. R. Keller said to figure it out by the square yard. **All in favor, motion carried.**

R. Keller said they will not get paid for our half of 360th this year. T. Nelson said they can take 340th off. T. Nelson said they have \$375k plus bonding money. There was discussion regarding the money and which roads they are going to have to take off of the 2018 schedule.

L. Johnson said they could take 360th and Grand Ave. off. R. Keller said they are getting beat up.

T. Nelson would still like to know where the money for Hemingway Ave. went. R. Keller said he never gets any complaints on Elk Lane, Elk Court, 321st, Erie. He asked what the Board thought about skipping those roads. J. Pelawa asked if the \$47k for Hemingway Ave. should come out of the figures and T. Nelson said yes, that should already be set aside because that is what he has been told. R. Keller said the money for Hemingway Ave could come out of the General Fund because technically it is all one fund. T. Nelson said he would feel comfortable with that. B. Seekon said they might be able to do that because they do not spend much out of the General Fund. R. Keller said that gives them more *fudge* room. J. Pelawa confirmed that as well. R. Keller said Knife River will work with the Township and will take another road off if something comes up.

R. Keller made a motion to go ahead with Knife River and go ahead with schedule A B C with the exception of Elk Lane, Elk Court, 321st, Erie Lane, 340st. This is contingent on getting funding. T. Nelson seconds. \$96,411k was removed. More roads can be added later. T. Nelson thought Hemingway Ave. should be taken out. He wants to be able to explain to the tax payers where the money went that was set aside for the road three years ago is. R. Keller said he will make a separate motion. **All in favor, motion carried.**

R. Keller made a motion \$250k of the funding is going to come out of the Road and Bridge fund and up to \$50k out of the General Fund to cover Hemingway Avenue. L. Johnson seconds. All in favor, motion carried.

C. Cagle said she needs a financial report because she and T. Nelson are looking for \$50k for Hemingway Ave. L. Johnson said there was an un-budgeted expense in December 2016 that consumed much of it.

J. Pelawa said Ehlers is going to have the bank proposal for the Board meeting.

Peterson's quote was less than the other one he received and Gustafson's did not want to do it. They average 3-5 hours per road. It will be \$335 per hour at 18 – 64 hours. Culverts are priced per culvert. An excavator and a bobcat included. R. Keller asked why they want to do west of the freeway when they are not blacktopping any roads over there. T. Nelson said it would be nice to have it done so they would not have to worry about it next year. There was discussion regarding the benefits of hiring an outside company to help with the work. They are going to do 311th and Echo. J. Pelawa said to get the culverts done this year so the road does not settle.

T. Nelson made a motion to have Peterson's help the Maintenance Staff do the work on the west side of the freeway. L. Johnson seconds. R. Keller said it is not specific as to what the quote includes. He wants to know if it would be less if they rented one from Ziegler and feels that Maintenance can get it done quicker. C. Cagle likes the idea of helping the guys out. The Board discussed the pros and cons of hiring this out versus having Maintenance do it and renting the equipment. B. Seekon said they have to look at this work as overtime for the Maintenance Staff. T. Nelson said this side is going to take a lot of their time. C. Cagle said we are going to lose N. Fairbanks in the middle of August. C. Cagle noted that N. Fairbanks has been an excellent addition to the Maintenance Staff.

T. Nelson rescinded his motion. L. Johnson rescinded his motion.
Motion tabled until the Board meeting.

R. Keller said N. Fairbanks has been boring the roads and they have been documenting them. L. Johnson asked where and R. Keller said he did not know.

R. Keller said he is excited about the blacktop numbers. B. Seekon said he appreciates all of the effort. B. Seekon said the last Township Insider said it was not their job to be doing stuff like that. They are supposed to make the decisions. All this work they are doing is super appreciated. L. Johnson said, "We do the work that most Townships would pay their Engineers to do".

There was discussion regarding the bidding process and why this is not public until the bids are signed.

B. Seekon made a motion to adjourn the meeting at 9:37 pm. L. Johnson seconds. All in favor, motion carried.

hm lw

Kelly J. Wood