

MINUTES OF AWARD OF BID TO CONSTRUCT NEW TOWN HALL

7 p.m., October 25, 2005

Town Hall

Present: Attorney Tim Young, Leo Kill of Liman Post and Beam, and Town Board: John Dearing, Bill Lieb and Ken Jude and Clerk Vi Novotne.

John Dearing stated that he would abstain from voting on the bid awarding process.

The special meeting opened at 7 p.m.

Ken Jude asked Attorney Tim Young to explain the grey area of the 5% Bid Bond rolling over to a Performance Bond.

Tim Young stated that the 5% Bid Bond is designed to keep the contractor or the bidder from backing out of his proposal. At award time, the contractor may forget an item and wish to withdraw his proposal. The payment part of the Payment and Performance Bond insures no mechanics lien. For instance if lumber yard claims they were never paid and township would have to pay the claim. The Performance Bond guarantees that the work will be completed. If contractor gets half way in completing the project, the assets tied up will insure the job can be finished. The Performance Bond is a cost and involves a financial statement and a contractor's track record. If anyone did not bid because of no Performance Bond, court cannot force a contract.

It is possible for the board to throw out the bids and start over and there would be costs, advertising costs, and a change in construction time.

Ken Jude stated that it is a "tough decision" for him as he felt he very clearly stated in every telephone call that a bid bond would be needed at the bid opening.

Bill Lieb added that there is a \$35,000 difference in the second bid and township would lose two weeks of construction season. Bill Lieb presented motion to accept the bid from Liman Post and Beam for \$285,315 and waive any irregularities. Ken seconded the motion. The motion was approved. John Dearing abstained from voting.

Leo Kill stated that he did not have questions regarding the building permit as he had checked the permit at the Wright County Office. He stated that this is a straight forward construction project and would start to dig the foundation on Monday.

The clerk was instructed to photograph checks and return the bid bond or check to the non-winners along with the deposit fee for plans. The non-bidders' fee for plans checks may be deposited.

Attorney Tim Young and Leo Kill of Liman Post and Beam will meet Wednesday afternoon to work on the contract.

With motion by Bill Lieb, seconded by John Dearing, the meeting adjourned at 7:50 p.m.

Respectfully submitted,

Approved: November 1, 2005

Vi Novotne

John Dearing

Clerk

Chairman