

PUBLIC SERVICE COMMISSION

Abandoned Mine Lands Division

Memorandum

TO: Commissioners Clark, Kalk and Cramer
Darrell Nitschke
Illona A. Jeffcoat-Sacco

From: Jim Deutsch, Director - AML Division

Date: May 24, 2012

Subject: Contract for the Columbus Phase 13 AML project

In February the AML Division prepared an Invitation for Bids for the Columbus Phase 13 project in Burke County. This project involves backfilling mine highwalls and grading spoil piles at an abandoned surface coal mine south of Columbus, ND. As part of this project, about 590,000 cubic yards of mine spoil and other earthen materials need to be moved to backfill the highwalls. The reclamation work will be carried out on approximately 85 acres. The bid opening for the Columbus Phase 13 project was held on April 23rd and nine bids were received.

The low bid was received from Baranko Bros. Inc. of Dickinson, ND, in the amount of \$607,510. The other bids ranged from \$680,000 to \$1,482,200 and the project manager's (Mark Knell) estimate was \$800,000. A notice of intent to award a contract to Baranko Bros. was issued on April 27th. None of the other bidders appealed the Intent to Award and a contract was sent to Baranko Bros. for signing on May 7th. The signed contract has been returned and properly executed performance and payment bonds, liability insurance documents, and other materials were also submitted by Baranko Bros. as requested. The contract is now ready for execution by the Commission. The AML Division has sufficient funds in current OSM grants for this and other projects planned for 2012.

I recommend the Commission execute the contract with Baranko Bros. Inc. in the amount of \$607,510 for the Columbus Phase 13 project. Attached is a motion for the May 30th Commission meeting to execute the contract.

Attachment

CasLib/120082