

PUBLIC SERVICE COMMISSION

Abandoned Mine Lands Division

Memorandum

TO: Commissioners Kalk, Christmann and Fedorchak
Darrell Nitschke
Illona Jeffcoat-Sacco and Ryan Norrell

From: Jim  Deutsch, Director - AML Division

Date: May 31, 2013

Subject: Contract for the Scranton\Bowman AML project, Case No. AM-13-94

In late February the AML Division issued an Invitation for Bids for drilling and pressurized grouting at the 2013 Scranton/Bowman AML project. This project involves drilling and the injection of pressurized grout into abandoned underground mine workings, primarily along public roads on the east and south sides of Scranton, north of Bowman, and near a farmstead south of Reeder. Competitive sealed bidding procedures were used with notices issued to the appropriate registered vendors through the State Procurement Office. Newspaper notices for the bid opportunity were also published in six daily newspapers around the State. The public bid opening occurred on April 22nd and only one responsive bid was received for the drilling and grouting part of this project in response to the solicitation. The bid came from B & C Concrete Pumping, Inc. of Williston, ND, in the amount of \$882,655. The staff estimate for this work was much less, \$644,125.

The Commission is allowed to award a contract when there is only one bidder if the bidder is responsible and the price submitted is fair and reasonable. Although B & C's bid was higher than the estimate, we determined the bid is fair and reasonable. Part of the reason for the higher cost is the multiple locations for grout injection and the travel distance from the ready mix plant in Bowman that will mix the grout for this project.

A notice of intent to award a contract to B & C was issued on April 24th and a contract was sent to them for signing on May 8th. The signed contract has been returned and properly executed performance and payment bonds, liability insurance documents, and other materials were also submitted by B & C 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 2013.

I recommend the Commission execute the contract with B & C Concrete Pumping, Inc. in the amount of \$882,655 for drilling and pressurized grouting at the Scranton/Bowman project. Attached is a motion for the June 5th Commission meeting for executing the contract.

Attachment