

PUBLIC SERVICE COMMISSION

Abandoned Mine Lands Division

Memorandum

TO: Commissioners Christmann, Fedorchak, and Kroshus
Darrell Nitschke
Illona A. Jeffcoat-Sacco and Jack Schuh

From: ^{DKM} Dean K. Moos, Director - AML Division

Date: May 24, 2017

Subject: Contract for AML's 2017 Columbus Phase 16 Project, Case No. AM-17-83

In early March the AML Division issued an Invitation for Bids (IFB) for the 2017 Columbus Phase 16 Project. This project involves the elimination of nearly 4,500 feet of highwalls at three abandoned surface mines in Burke County. About 225,000 cubic yards of spoil material will be used to backfill the highwalls and about 43 acres will be reclaimed at the three sites.

Competitive sealed bidding procedures were used with notices issued to registered vendors through the State Procurement Office. The bid opening was held on April 17th and eight bids were received. The low bid was received from Hanson's Excavating, Inc. of Des Lacs in the amount of \$338,105. The other seven bids ranged from \$384,145 to \$495,775. The AML Division's cost estimate for this project was \$410,800.

A Notice of Intent to Award a contract to Hanson's Excavating was issued on April 19th. None of the other bidders appealed the Intent to Award and on May 1st the contract was sent to Hanson's to sign. The signed contract has been returned and we have also received performance and payment bonds, a certificate of liability insurance, and other materials that were requested. The contract is now ready for execution by the Commission.

I recommend the Commission execute the contract with Hanson's Excavating, Inc. in the amount of \$338,105 for construction services at the 2017 Columbus Phase 16 AML Project. Attached is a motion for the May 31th Commission meeting.

Attachment

Minedata/AML/2017/Columbus Phase16/Hansons_Exc_Contract_memo_5-24-17

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Dean Moos