

CITY OF MINNETRISTA



CITY COUNCIL AGENDA ITEM 6c

Subject: Accept Bids and Award Contract for the Construction of the Woodland Cove Water Treatment Facility, City Project 06-25

Prepared By: Gary Peters, Public Works Director

Meeting Date: October 6, 2025

Issue:

The City received and opened bids for the Water Treatment Facilities Project, City Project 06-25. A resolution accepting bids and awarding the contract for this project is provided for Council consideration of approval.

Background/History:

On June 17, 2024, the City Council approved AE2S Task Order #11 for professional consulting services for the design and bidding of the new water treatment plant in Woodland Cove.

Overview:

On September 25, 2025, the City received and opened three (3) bids for the project. AE2S has provided a recommendation for award letter and a signed bid tab for inclusion and consideration of award.

The three bids received for the Water Treatment Facility construction project included a base bid cost for the facility, along with Alternate 1 (a deduct for the removal of the 750,000-gallon clearwell storage tank), and Alternate 2 (an adder for architectural treatment modification). City staff is not recommending Alternate 1. Constructing the clearwell storage tank at this time will push the need for constructing a new water tower further into the future. The cost of that new water tower could be as much as \$5 million. It will also make taking the Kings Point Tower offline for rehab possible.

City staff was contacted by residents living near the new WTP site with concerns about the building exterior esthetics and visibility. They also attend council meetings to emphasize this point. To accommodate this, the excavated soil will remain on site and be used to construct a large berm for visual obstruction. Staff recommends awarding the contract with Alternate 2 bid item. This item is for the architectural treatment modifications to the building's exterior. Attached are the renderings showing the difference in appearance between the WTP as built with the base bid, and the WTP as built with Alternate 2. Staff feels that the Alternate 2 facility is more visually attractive, will be a better fit in the neighborhood, and gives the City a building they can be proud of. Alternate 2 would add a principal payment of \$21,332.00 per year, or roughly \$1,778.00 per month (amortization schedule attached).

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

The base bids range from \$21,329,000.00 to \$24,730,000.00. The Engineers base bid opinion of construction cost was \$20,000,000.00. The overall results were as follows:

| Contractor | Base Bid | Alternate 1 | Alternate 2 |
|------------------------------|-----------------|-----------------|--------------|
| Magney Construction, Inc. | \$21,329,000.00 | -\$1,655,000.00 | \$281,000.00 |
| Rice Lake Construction Group | \$22,497,000.00 | -\$1,700,000.00 | \$375,000.00 |
| Market & Johnson, Inc. | \$24,730,000.00 | -\$2,065,000.00 | \$220,000.00 |

Fiscal Impact:

The lowest bid received was from Magney Construction, Inc., with their low base bid of \$21,329,000.00. AE2S and City staff recommend awarding the contract without the Alternate 1 bid item but including the Alternate 2 bid item.

The Water Treatment Facility costs are to be funded through bonding. The project total of \$21,329,000.00 includes the base bid without alternates, as well as lump sum and unit price contract items. Project total with Alternate 2 would be \$21,610,000.00. Both would have a 5% contingency added on.

Recommended City Council Action:

Motion #1 – Base Bid only:

Staff recommends a Motion to Approve Resolution No. 85-25 to accept bids and award a contract for the construction of the Woodland Cove Water Treatment Facility (City Project 06-25) to Magney Construction, Inc. for their low base bid of \$21,329,000.00 without Alternate 1 and Alternate 2.

Motion #2 – Base Bid with Alternate 2:

Staff recommends a Motion to Approve Resolution No. 86-25 to accept bids and award a contract for the construction of the Woodland Cove Water Treatment Facility (City Project 06-25) to Magney Construction, Inc. for their low base bid of \$21,329,000.00 plus the addition of Alternate 2 at \$281,000.00 for a total project cost of \$21,610,000.00.

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

Minnetrista Woodland Cove Water Treatment Plant Project

City of Minnetrista

Minnetrista, MN

AE2S Project No. P05355-2023-002

Bid Opening Time 2:00 PM CDT Date Thursday, September 25, 2025

| Contractor | | Download/Acknowledge Addenda 1-4 | 5% Bid Bond | 00 41 00 Bid Form (Add #2) - no prices | 00 43 29 Responsible Contractor Verification | 00 45 13 Bidder Qualifications Form | 00 45 19 Non-Collusion Affidavit | MN Contractor's License or Renewal | vBid Worksheet | Contract No. 1 Base Bid | Alternate 1 (Deduct) Removal of WTP Clearwell Storage Tank | Alternate 2 (Adder) Architectural Treatment Modification |
|-------------------|------------------------------|---|--------------------|---|---|--|---|---|-----------------------|------------------------------------|---|---|
| 1 | Magney Construction, Inc. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | \$21,329,000.00 | -\$1,655,000.00 | \$281,000.00 |
| 2 | Rice Lake Construction Group | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | \$22,497,000.00 | -\$1,700,000.00 | \$375,000.00 |
| 3 | Market and Johnson, Inc. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | \$24,730,000.00 | -\$2,065,000.00 | \$220,000.00 |
| | | | | | | | | | | | | |
| | Engineer's Estimate | | | | | | | | | \$20,000,000.00 | -\$1,000,000.00 | \$103,000.00 |



Advanced Engineering and Environmental Services, LLC
 Water Tower Place Business Center
 6901 E Fish Lake Rd, Suite 184
 Maple Grove, MN 55369
 Tel: 763-763-5036

Aaron Vollmer, PE

Alternate 2 Dollar Amount - \$281,000.00

Bond Term - 20 years

Interest rate used - 4.5%

Amortization schedule

| Year | Interest | Principal | Yearly Payment | Ending Balance |
|------|-------------|-------------|----------------|----------------|
| 1 | \$12,463.55 | \$8,869.38 | \$21,332.93 | \$272,130.62 |
| 2 | \$12,056.09 | \$9,276.84 | \$21,332.93 | \$262,853.77 |
| 3 | \$11,629.92 | \$9,703.02 | \$21,332.94 | \$253,150.75 |
| 4 | \$11,184.16 | \$10,148.77 | \$21,332.93 | \$243,001.98 |
| 5 | \$10,717.93 | \$10,615.01 | \$21,332.94 | \$232,386.97 |
| 6 | \$10,230.28 | \$11,102.66 | \$21,332.94 | \$221,284.31 |
| 7 | \$9,720.22 | \$11,612.71 | \$21,332.93 | \$209,671.60 |
| 8 | \$9,186.74 | \$12,146.20 | \$21,332.94 | \$197,525.40 |
| 9 | \$8,628.74 | \$12,704.19 | \$21,332.93 | \$184,821.21 |
| 10 | \$8,045.12 | \$13,287.82 | \$21,332.94 | \$171,533.39 |
| 11 | \$7,434.68 | \$13,898.26 | \$21,332.94 | \$157,635.13 |
| 12 | \$6,796.19 | \$14,536.75 | \$21,332.94 | \$143,098.38 |
| 13 | \$6,128.38 | \$15,204.56 | \$21,332.94 | \$127,893.82 |
| 14 | \$5,429.88 | \$15,903.06 | \$21,332.94 | \$111,990.77 |
| 15 | \$4,699.30 | \$16,633.64 | \$21,332.94 | \$95,357.13 |
| 16 | \$3,935.15 | \$17,397.79 | \$21,332.94 | \$77,959.34 |
| 17 | \$3,135.90 | \$18,197.04 | \$21,332.94 | \$59,762.30 |
| 18 | \$2,299.93 | \$19,033.01 | \$21,332.94 | \$40,729.30 |
| 19 | \$1,425.56 | \$19,907.38 | \$21,332.94 | \$20,821.92 |
| 20 | \$511.02 | \$20,821.92 | \$21,332.94 | \$0.00 |

\$21,332.94 per year - \$1,777.74 per month



October 1, 2025

City of Minnetrista
Gary Peters
Public Works Director
7701 County Road 110W
Minnetrista, MN 55364

Re: Recommendation for Notice of Award – Minnetrista Woodland Cove WTP Project

Pursuant to the authority of the City Council and following proper legal advertisement, bids for the Woodland Cove Water Treatment Plant (WTP) Project were opened on Thursday, September 25, 2025, at 2:00 P.M. via Microsoft Teams. A total of three (3) sealed bids were received. All bids were completed in accordance with the project requirements and publicly opened and read aloud.

Project Description

The project generally consists of the following major components:

- Construction of a new 3.0 MGD Water Treatment Plant, including all associated site work, mechanical, and electrical systems.
- Final site grading and landscaping.
- Installation of piping and appurtenances to connect new Well No. 8 and Well No. 9.

Bid Evaluation and Recommendation

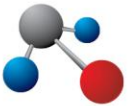
A detailed bid tabulation is attached, comparing the bids received to the Engineer's Opinion of Probable Cost. Based on our review, Advanced Engineering and Environmental Services, Inc. (AE2S) recommends that the City of Minnetrista award the construction contract to Magney Construction, Inc. of Chanhassen, Minnesota, for the base bid amount of **\$21,329,000**. The bid is within a reasonable range of the engineer's estimate and is considered responsive and responsible.

Alternate Bid Items

Two alternate bid items were included with Magney's bid submission:

- **Alternate No. 1:** Deduct \$1,655,000 for removal of the portion of the buried clearwell located outside of the building.
- **Alternate No. 2:** Add \$281,000 for architectural treatment modifications to enhance the building exterior.

AE2S has reviewed the alternate bid pricing and finds both cost proposals to be reasonable. However, AE2S does **not recommend acceptance of Alternate No. 1**. The potential cost savings associated with removing the external clearwell do not justify the long-term expense of providing additional elevated storage in the future.



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Minnetrista Woodland Cove WTP Project
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Conversely, AE2S **recommends acceptance of Alternate No. 2.** The added cost for architectural enhancements is minimal relative to the overall project cost and will result in a more aesthetically pleasing facility consistent with community expectations.

In summary, AE2S recommends the City of Minnetrista award the Woodland Cove WTP Project to Magney Construction, Inc. for a total contract value of **\$21,610,000.**

AE2S truly appreciates the opportunity to continue working with you on this very important project for the City of Minnetrista. Should you have any questions or comments please feel free to contact me.

Sincerely,
AE2S

Aaron Vollmer, PE
Project Manager

Attachments:
Signed Bid Tabulation

Exterior Renderings





Front



Front



West



West



South



South



East



East

RESOLUTION NO. 85-25

**RESOLUTION TO ACCEPT BIDS AND AWARD A CONTRACT FOR THE
CONSTRUCTION OF THE WOODLAND COVE WATER TREATMENT FACILITY
TO MAGNEY CONSTRUCTION, INC.**

**BASE BID WITHOUT ALTERNATE 1 AND ALTERNATE 2
(CITY PROJECT NO. 06-25)**

WHEREAS, the City Council of Minnetrista previously directed the AE2S to design and advertise for bids for the Woodland Cove Water Treatment Facility improvement project, City Project 06-25, and

WHEREAS, bids were publicly received and opened on September 25, 2025.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF MINNETRISTA, as follows:

1. All bids for the construction of the Woodland Cove Water Treatment Facility (City Project 06-25) have been received and are tabulated on the attached summary.
2. The base bid **without** Alternate 1 and **without** Alternate 2 from Magney Construction, Inc. in the amount of \$21,329,000.00, for the construction of said improvements, is in accordance with the plans and specifications and advertisement for bids and is the lowest responsible bid.
3. The Mayor and Clerk are hereby authorized and directed to enter into a contract with said bidder for the construction of said improvements for and on behalf of the City of Minnetrista.
4. The City Clerk is hereby authorized and directed to return forthwith to all bidders any deposits made with their bids, except that the deposit of the successful bidder and the next two lowest bidders shall be retained until a contract has been executed.

This resolution was adopted by the City Council of the City of Minnetrista on the 6th day of October 2025, by a vote of _____ Ayes and _____ Nays.

Mayor Lisa Whalen

ATTEST:

Ann Meyerhoff, City Clerk

RESOLUTION NO. 86-25

**RESOLUTION TO ACCEPT BIDS AND AWARD A CONTRACT FOR THE
CONSTRUCTION OF THE WOODLAND COVE WATER TREATMENT FACILITY
TO MAGNEY CONSTRUCTION, INC.
BASE BID WITHOUT ALTERNATE 1 AND WITH ALTERNATE 2
(CITY PROJECT NO. 06-25)**

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Mayor Lisa Whalen

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Ann Meyerhoff, City Clerk