



BOARD OF COMMISSIONERS LAPORTE COUNTY

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*Ken Layton
President*

*Barbara Huston
Vice President*

*Willie Milsap
Member*

LAPORTE COUNTY COMMISSIONERS

Tuesday, May 22, 2012

The LaPorte County Board of Commissioners met in a special meeting on Tuesday, May 22, 2012, at 10:00 a.m. in the LaPorte County Complex Meeting Room #3.

CALL MEETING TO ORDER

Mr. Layton, President, called the meeting to order at 10:00 a.m.

PLEDGE OF ALLEGIANCE

Mr. Willie Milsap led the Pledge of Allegiance.

ROLL CALL

Present: Mr. Layton, Mr. Milsap

Absent: Mrs. Huston

APPROVAL OF AGENDA

Mr. Layton, I want to clarify the agenda. It says Open Bids for Fairgrounds Restroom Renovation Project. That is not correct. We are here to accept the recommendation of the Highway Engineer. The bids were opened at a public meeting at the Fairgrounds yesterday morning at 10:00.

Mr. Jeff Wright, Highway Engineer, we opened four bids for the fairground restroom renovation project. The bids ranged from \$138,140 to \$270,064. The four companies were North Judson Mechanical \$138,140.00, Gariup Construction, \$239,240.00, Precision \$270,064.00 and Larson-Danielson \$211,352.00. The bids were made available for anyone to look at. We took the North Judson proposal and made sure the paperwork was all there, form 96, the bid bond, based on the review and a discussion with Mr. Swanson, I see no reason not to reward the bid to the low bidder and that is my recommendation.

Mr. Layton, who is Mr. Swanson?

Mr. Wright, Keith Swanson from the Fair Board. He was instrumental in making sure the paperwork was submitted properly.

Mr. Milsap, for the same amount of work what is the big difference?

Mr. Wright, the only rationale I would have for that is that these three are union contractors and I understand North Judson is not. The materials and the work are specified in the bid proposal and all four bidders and whoever wanted to bid had access to that bid proposal and those specifications and requirements of the contract.

Mr. Milsap, have we done business with North Judson before?

Mr. Shurte, yes we have as the fair. About three years ago they did the work on the Small Projects Building. Mr. Swanson is the head of the committee from the fair board to spear head this project. He met with all the companies when they came out to look at the project. He was a liaison between the fair board and the companies.

Mr. Willoughby, so he just answered questions and clarified the specs for the potential bidders making sure everyone was comparing apples to apples.

Mr. Shurte, that is correct.

Mr. Milsap, would you normally head this project?

Mr. Wright, if it was a highway project I would be intimately involved with the bidding of the road project or bridge project and I would be the coordinator making sure everyone had a level playing field. Our role here at the highway is to prepare the documents for bidding and to make sure the bidding procedures the documents contained in the bidding documents and the plans were made available so a level playing field was established. It was a fair grounds representative that handled those details.

Mr. Milsap, we are the owners but we are leasing it to the fair board and this project is spear headed by the fair board. The funds to pay for this are out of county?

Mr. Layton, remember when we went before the county council for the \$250,000 loan for the sewer and restrooms? The sewer has been completed and this is culmination of that \$250,000. The night the council awarded the funds, Mr. Yagelski specifically said he wanted the payments to come through the commissioner's office rather than just giving the fair board the \$150,000. We have been acting as the financier of this project and we have been paying all the claims. The sewer work was performed by the county highway. We paid for the pipe and fuel. Those bills were submitted to us and approved by Mr. Wright, as the engineer on the project, and we paid them.

Mr. Milsap, we found out we couldn't loan money to the fair board.

Mr. Layton, we had a new MOU and we had a new lease, which we approved at a meeting, with the fair board. They went from a \$1.00 a year on their lease for the property to \$10,000.00 a year until this \$250,000.00 loan is paid off. That was acceptable by the State Board of Accounts.

Mr. Milsap, so the funds that are going to pay for this project is county funds.

Mr. Layton, initially, yes sir, but we get paid back by the fair board.

Mr. Milsap, do we have to go with the lowest bid?

Mr. Willoughby, unless you would find a reason that they are not acceptable in terms of being responsible responsive to what the bid specs were and otherwise, based on our engineers opinion whether they weren't capable of handling the job, quality of work, worried about their finances, etc. My understanding, based on Mr. Wright's recommendation is, based on due diligence, they seem to be capable. You could go with someone else but you would have to make a record of acceptable reasons for not going with them.

Mr. Wright, my interpretation of responsiveness and responsible, the way I evaluate responsiveness is are the bid documents submitted properly the other part of that is it responsible and we use that form 96 to determine contractor capacity.

Mr. Willoughby, that is a perfect explanation.

Mr. Layton, we have the fair manager here telling us you have had work performed by this company before and it was acceptable.

Mr. Shurte, acceptable, excellent.

Mr. Layton, on top of that, they are nearly \$80,000.00 cheaper than the next bid.

Mr. Milsap, the next bid would be Larson-Danielson which is a local company. I think this should be a full board decision; Barb is due back next week. Would this throw you guys off?

Mr. Wright, yes. The goal is to get this accomplished prior to the fair, July 8th.

Mr. Layton, I will step down and make a motion to accept the recommendation of our engineer.

Mr. Milsap, I 'm really not comfortable with this.

Mr. Layton, we are being responsible to the tax payers.

Mr. Milsap, there is \$80,000 difference between a local company vs. a North Judson company. There is no way Larson-Danielson could deliver the services cheaper than \$211,352?

Mr. Wright, all I have is the information presented before me.

Mr. Layton, that would be against the bidding rules of the state.

Mr. Wright, proximity to the project doesn't guarantee you are going to get a lower bid.

Mr. Willoughby, that isn't one of the criteria upon which you can make your judgment.

Mr. Milsap, what I am uncomfortable about this is, this is for a restroom facility at the LaPorte County Fairgrounds. We have a local contractor who bid on this, out bid by a Starke County company. Mr. Swanson facilitated the bids, keeping in mind this company has done work for the fair board before. I stand firm in taking care of our county first. I find it hard to believe our local contractor, Larson-Danielson, could not come up with a better bid for this project and there is a big gap. I am very upset that a local company with local employees....

Mr. Wright, I don't know how to remedy that. All I can do is put the documents out and let the free market take a stab at it.

Mr. Layton, I understand and feel the same way.

Mr. Wright, a redeeming factor is that it is an Indiana company that will do the work.

Mr. Shurte, if we don't get started tomorrow, the project will not be able to start until August. All four companies had the same opportunity to bid on this. Out of all the bids, three are from out of the county. Why didn't LaPorte County contractors bid on the job?

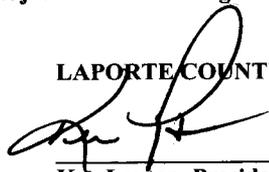
Mr. Milsap, I am going to have to reluctantly second that motion, motion carried by voice vote 2-0.

Mr. Mrozinski, councilman, we have had a similar situation at our last three council meetings. We are trying to bid cars for the sheriff's department. The bid came in from Fort Wayne. We have local dealers that are struggling to keep their doors open, that employ people from LaPorte County but they were not the lowest bid. I would rather tell Fort Wayne, sorry, we are going to take a higher bid but we can't do that legally. Don't you think the county has enough law suits as it is without inviting more trouble? Everyone had an opportunity to bid but they didn't. You have to go with the lowest bid. As a guy from the county council, if you want to take a higher bid you don't have to convince legally you are going to have to convince us that it is a good idea. Otherwise, why bid? Just ask Willie, who do you want to hire, you can't do that.

ADJOURN

Mr. Layton, President, adjourned the meeting at 10:28 a.m.

LAPORTE COUNTY BOARD OF COMMISSIONERS



Ken Layton, President

Barbara Huston
Barbara Huston, Vice President

Willie M. Minter
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ATTEST: *Craig Hinchman*
Craig Hinchman, LaPorte
County Auditor