

RESOLUTION NO. 4490

A RESOLUTION OF THE CITY OF MILES CITY APPROVING A “NOTICE OF AWARD” AND “AWARD RECOMMENDATION” FOR DIAMOND J CONSTRUCTION, LLC, TO BUILD “HANGAR 10” AT FRANK WILEY FIELD

WHEREAS, The City of Miles City is the fiscal sponsor of the Miles City Airport and Airport Commission, which has retained the engineering services of Kadrmas, Lee & Jackson, Inc. (KLJ) to provide engineering services related to the construction of a new airplane hangar at the Miles City Airport, “Frank Wiley Field,” to be known as “Hangar 10.”;

AND WHEREAS, the Miles City Airport Commission in consultation with KLJ has properly published notice for solicitation and opening of bids, and have selected a bid from Diamond J Construction, LLC (Diamond J) to complete said project;

AND WHEREAS, KLJ has reviewed Diamond J’s bid packet and has recommended approval of the same;

NOW THEREFORE BE IT RESOLVED by the City Council of Miles City, Montana, as follows:

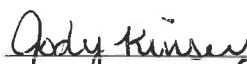
1. The “Notice of Award” attached hereto as Exhibit “A,” incorporated herein by this reference, is approved by the City of Miles City.
2. The “Award Recommendation” attached hereto as Exhibit “B,” incorporated herein by this reference, is approved by the City of Miles City.
3. The Mayor of the City of Miles City is hereby empowered and authorized to execute said documents on behalf of the City of Miles City and bind the City of Miles City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A DULY CALLED MEETING THIS 13TH DAY OF DECEMBER, 2022.



John Hollowell, Mayor

ATTEST:



Mary Howe, City Clerk
Jody Kinsey Deputy Clerk

Notice of Award

Date: 12.27.22

To	Diamond J Construction, LLC
Bidder's Address	PO Box 520 Miles City, Montana 59301
Project Description	Frank Wiley Field Construction General Aviation Hangar AIP 3-30-0055-023-2023
Name of Owner	City of Miles City
Owner's Address	17 South 8th Street Miles City, Montana 59301

You are notified that your Bid dated February 2, 2020 for the above Contract has been considered. You are the apparent successful bidder and have been awarded a contract for:

AIP Project No.	3-30-0055-023-2023
Project Description	Construct General Aviation Hangar
Airport Name	Frank Wiley Field (KMLS)
Airport Location	Miles City, Montana

The following work is hereby awarded:

Base Bid Schedule 1	Construct GA Hangar	\$946,768.00
Alternate Bid 1	Structural Concrete	\$30,000.00
Additive Bid 1	Foundation Insulation	\$6,000.00
Additive Bid 2	Wall Insulation	\$91,000.00
Additive Bid 3	Ceiling Insulation	\$91,000.00
Additive Bid 4	Heating (Gas Furnaces)	\$50,000.00
Total		\$1,214,768.00

The Contract Price of your contract is one-million two-hundred fourteen thousand seven-hundred sixty-eight dollars and zero cents.

You must comply with the following conditions precedent with fifteen (15) days of the date of this Notice of Award, which is 1.11.23.

1. You must immediately deliver to the OWNER a duly signed copy of this notice, acknowledging its receipt.
2. You must deliver, with the executed Agreement, the Contract Security (Bonds) as specified in the Instruction to Bidders, General Provisions and Local and State Provisions.
3. You must deliver to the OWNER, evidence of insurance as outlined within the General Provisions and Local and State Provisions.

Failure to comply with these conditions within the time specified, will entitle the OWNER to consider your bid abandoned, to annul this Notice of Award and to declare you Bid Security forfeited.

Within ten (10) days after you comply with these conditions, the OWNER will return to you one (1) fully signed counterpart of the Agreement with the Contract documents attached.

OWNER:

BIDDER:

City of Miles City, Montana
Owner

Diamond J Construction, LLC
Bidder

By: 
John Hollowell, Mayor

By:  12/27/22
Authorized Signature (Date)

John Peila
Printed Name

Managing Member
Title



November 14, 2022

Mr. Doug Phair, Chairman
Miles City Airport Commission
17 South 8th Street
Miles City, Montana 59301

Re: Frank Wiley Field (KMLS)
Award Recommendation
AIP 3-30-0055-023-2023

Dear Mr. Phair:

KLJ has had an opportunity to review the bid received on November 1, 2022 for the AIP 023-2023 project. Only one bid was submitted. A copy of the bid tabulation is attached which is summarized below:

	Diamond J Construction	Engineer's Estimate
Base Bid Schedule (Hangar)	\$946,768.00	\$1,442,900.00
Alternate Concrete Adjustment	\$30,000.00	\$2,000.00
Add Bid Schedule 1 (Fdn Insulation)	\$6,000.00	\$18,000.00
Add Bid Schedule 2 (Wall Insulation)	\$91,000.00	\$120,000.00
Add Bid Schedule 3 (Ceiling Insulation)	\$91,000.00	\$180,000.00
Add Bid Schedule 4 (Heating)	\$50,000.00	\$20,000.00
Total	\$1,214,768.00	\$1,782,900.00
Percent of Engineers Est.	68%	

Following the bid opening, the bids were reviewed for irregularities and none were found. The bid form also required bidders to complete a Buy American Certification Statement. Diamond J Construction indicated 100% of the manufactured products used for this project will be manufactured and assembled in the United States.

The bid received by Diamond J Construction was 32% lower than the Engineer's Opinion of Probable Cost. The Engineer's Opinion of Probable Cost was based on a new hangar bid at Tillitt Field in Forsyth on August 8, 2022. The Forsyth Hangar is 3,900 SF and the SF unit cost of the low bidder was \$201. Given the Miles City hangar is 12,000 SF, we would expect to see a lower SF unit cost because of the economy of scale. The Miles City hangar was estimated at \$148 per SF. The bid submitted by Diamond J Construction resulted in a \$101 SF unit cost. KLJ has reviewed the proposed cost with Diamond J Construction, and they are comfortable with their bid.



After evaluating the bids, it is the recommendation of KLJ the project be awarded to Diamond J Construction. Final award will be based on receiving FAA funding.

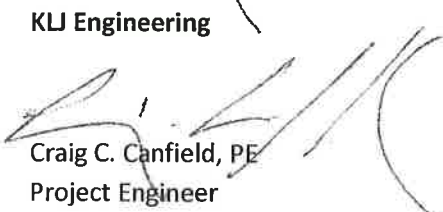
After you have had a chance to consider our recommendation and should you concur, please sign the Sponsor Concurrence Statement at the end of this letter and return a copy of this letter to KLJ. I have also included the Notice of Award which should be signed and returned to KLJ. A copy of this Award Recommendation will also be sent to the FAA for their concurrence.

After concurrence from the Miles City Airport Commission and the FAA, the Notice of Award will be forwarded to Diamond J Construction.

Should you have any additional questions or require additional information, please feel free to call.

Sincerely,

KLJ Engineering


Craig C. Canfield, PE
Project Engineer

SPONSOR CONCURRENCE

The Miles City Airport Commission and the City of Miles City have reviewed the Award Recommendation and concur in the Award of the project to Diamond J Construction.


Douglas B. Phair, Chairman

12-13-22
(Date)

Miles City Airport Commission


John Hollowell, Mayor

12-13-22
(Date)

City of Miles City

Enclosure(s): Notice of Award and Bid Tabulation
Project No. 2005-01801 Tab N
cc: Roxanne Trotta - FAA-Helena ADO

Frank Wiley Field (KMLS)
 Construct New General Aviation Hangar
 November 2023
 Project Budget (AS BID)

Project Element	FAA Eligible	FAA Ineligible
Diamond J Bid		
Base Bid Schedules (Hangar Shell & Foundations)	\$976,768.00	\$0.00
Additive Schedules (Insulation & Heating)	\$0.00	\$238,000.00
Subtotal	\$976,768.00	\$238,000.00
Design and Construction Engineering		
KLJ Design Phase Services	\$63,650.00	\$3,350.00
KLJ Construction Phase Services	\$62,000.00	\$0.00
KLJ Project Closeout	\$6,000.00	\$0.00
Braun Geotechnical Services	\$9,000.00	\$0.00
Braun Construction Testing (QAQC)	\$15,000.00	\$0.00
Subtotal	\$155,650.00	\$3,350.00
Administration		
Bid Advertisement	\$600.00	\$0.00
Independent Fee Estimate	\$4,000.00	\$0.00
A-133 Audit	\$5,000.00	\$0.00
Subtotal	\$9,600.00	\$0.00
Project Grand Total	\$1,383,368.00	
Total FAA Eligible	\$1,142,018.00	
Total FAA Ineligible		\$241,350.00
Coal Board Grant	(\$178,000.00)	(\$97,000.00)
FAA Eligible and Ineligible Funding Split	\$964,018.00	\$144,350.00
FAA Share at 90%	\$867,616.20	NA
Sponsor Share	\$96,401.80	\$144,350.00
Funding Summary In 2023		
FAA BIL Grant	\$318,000.00	
FAA NPE Grant	\$72,000.00	
Sponsor Match of FAA Grant	\$43,333.33	
Sponsor Funding	\$58,650.00	\$141,350.00
Coal Board Grant	\$178,000.00	\$97,000.00
InterCap / MT Aeronautics Loan	\$472,034.67	\$3,000.00
Total	\$1,142,018.00	\$241,350.00
Grand Total	\$1,383,368.00	
Funding Summary In 2026		
Second BIL Grant To Pay Off Loans	\$477,616.20	