

**PROCEEDINGS
OF
CITY COUNCIL SPECIAL MEETING
OF THE
CITY OF LOWELL
TUESDAY, AUGUST 11, 2020, 7:00 P.M.**

1. **CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL.**

The Meeting was called to order at 7:00 p.m. by Commissioner Salzwedel and Deputy Clerk Amy Brown called roll.

Present: Councilmembers Cliff Yankovich, Greg Canfield, and Jim Salzwedel.

Absent: Councilmember Marty Chambers and Mayor DeVore.

Also Present: City Manager Michael Burns, City Deputy Clerk Amy Brown, DPW Director Dan Czarnecki and the Showboat Committee.

2. **EXCUSED OF ABSENCE.**

IT WAS MOVED BY YANKOVICH and seconded by CANFIELD to excuse the absence of Councilmember Chambers and Mayor DeVore.

YES: Councilmember Yankovich, Councilmember Salzwedel and Councilmember Canfield.

NO: None. ABSENT: Councilmember Chambers and Mayor DeVore. MOTION CARRIED.

3. **APPROVAL OF THE AGENDA.**

IT WAS MOVED BY YANKOVICH and seconded by CANFIELD to approve the agenda as written.

YES: Councilmember Canfield, Councilmember Salzwedel, and Councilmember Yankovich,

NO: None. ABSENT: Councilmember Chambers and Mayor DeVore. MOTION CARRIED.

4. **SHOWBOAT BIDS.**

City Manager Michael Burns suggested that tonight we review the bids, discuss the financing issue and maybe because there are only three councilmembers here tonight, we table it and bring it back at Mondays City Council Meeting. Burns then reviewed his memo and stated the following:

On June 1, 2020 the City of Lowell opened the following bids for the general contractor for the interior of the showboat:

- Pel Construction \$1,858,488
- AJ Veneklasen \$1,347,116
- Wolverine Building Group \$1,340,483

Shortly thereafter, the Committee and our Consultants met and reviewed the submissions. It was apparent that both AJ Veneklasen and Wolverine bid this project with the assumption they would build it on land. It was explained multiple times to all bidders that their interior work would need to be completed in the water. Also, the architect and mechanical engineer needed clarifications on these items and were given two weeks to complete the addendum. Two of the three bidders submitted the requested information in the

addendum. Both included revised bids. They were asked to submit their bid with the construction work being completed in the water. Both were also asked to provide the total construction cost and list the installation of snowmelt as an alternate. They were also asked to provide a deduction if Pella sliding doors were used in lieu of the proposed stacking doors. AJ Veneklasen provided a revised bid of \$1,412,820. Their cost for snowmelt was \$15,820 and they included a deduction of \$21,500 for the doors. Wolverine submitted a bid \$1,435,638.81. They provided a deduction of \$20,745. Once we received the revised bids, the committee chose to have both firms come in for questions about their bids and to clarify items in question. We also asked them what they felt could be value engineered in order to reduce costs. On Friday, July 17th, both AJ Veneklasen and Wolverine were present and answered questions. We learned AJ Veneklasen did not provide a specified keel cooler in their bid. It was determined this would be an increase of approximately \$35,000 to their bid. We also learned AJ Veneklasen used a different electrical subcontractor for the second submittal, and felt this cost could be reduced if they were selected. While the City had the right to reject the bid from AJ Veneklasen because they did not provide the keel cooler, they were asked to provide the cost of one. I also learned when we met with Wolverine, they informed us they didn't separate the snowmelt alternate bid from their proposal and reduced the bid to \$1,414,611.57.

Councilmembers and Showboat Committee discussed at length.

Councilmember Yankovich asked the showboat committee why they preferred one bid more than the other.

Lowell Chamber of Commerce Director and Showboat Committee member Liz Baker, also with the Lowell Chamber of Commerce stated Wolverine would be using a lot of local people including subcontractors. Also, Wolverines bid was complete.

Ken Reigler – our Mechanical Engineer for the Showboat project stated he recommends Wolverine. They were professional with their bid, specifications and plan. Reigler also explained how the Keel Cooler works.

Mike Lynch, the Showboat Architect also recommends Wolverine and stated he has used them in the past, their interviews were professional and he has been pleased with their work.

Bill Lee representing AJ Veneklasen wanted to state that their mistake not including the Keel Cooler was completely unintentional and they were not aware it was going to cost them the bid award. Also, the change in the bid price reduction was simply due to your City budget constraints.

IT WAS MOVED BY CANFIELD and seconded by YANKOVICH to follow the recommendation of the Showboat Committee and award the work to Wolverine Building Group at their cost not to exceed \$1,414,611.57.

YES: Councilmember Canfield, Councilmember Salzwedel, Councilmember Yankovich.

NO: None. ABSENT: Councilmember Chambers and Mayor DeVore. MOTION CARRIED.

City Manager Michael Burns then reviewed his memo about the financing of the showboat.

Council and the Showboat Committee discussed at length.

Councilmember Canfield and City Manager Michael Burns questioned the fundraising numbers.

The Showboat Committee, the engineer and the architect agreed it is not a good idea to leave the boat parked and incomplete to raise the remaining money.

Nancy Ramor who resides at 506 Lafayette is concerned that some constructing of the boat is in process before all the funds are raised and it seems backwards. Also, getting all the information about the showboat out there on social media including the history of the showboat would help with fundraising and the residents understanding of what is happening.

Tina Cadwallader who resides at 806 Lafayette stated she has been a resident of Lowell since 5th grade. This is her 2nd showboat and a lot of the surrounding community wants this to happen. Also feels the community has not been well informed of the details that she is hearing about tonight and thinks that it would help with fundraising if they were.

Greg Briggs from Lowell Township questioned why the City has not asked the surrounding townships for funding.

Councilmember Salzwedel asked some questions about the inspection of the boat and who will be responsible.

Showboat Committee member Mark Mundt gave a presentation of the funding (money used and money they believe they have coming in yet, a business plan for what is not yet raised including a group of some 30 people to help with fundraising).

They discussed at great length but made no further decisions.

5. **CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.**

There were no additional comments.

6. **ADJOURNMENT.**

IT WAS MOVED BY CANFIELD and seconded by YANKOVICH to adjourn at 8:23.
YES: 3. NO: None. ABSENT: 2. MOTION CARRIED.

DATE:

APPROVED:

Mike DeVore, Mayor

Sue Ullery, Lowell City Clerk