

**RESOLUTION NO. R16-61**

**A RESOLUTION ACCEPTING THE BID AND AUTHORIZING THE MAYOR/CHIEF ADMINISTRATIVE OFFICER TO SIGN A CONTRACT WITH A-1 DRILLING TO DRILL THE WATER SUPPLY WELL AT THE CONTROL BUILDING FOR THE WATER TREATMENT PLANT INTAKE PROJECT.**

WHEREAS, the City sought bids from qualified firms to complete the project pursuant to Montana law; and

WHEREAS, the City complied with its procurement policy by seeking competitive bids or quotes to ensure the selected company will perform the work satisfactorily and in the City's best interest; and

WHEREAS, A-1 Drilling was the lowest qualified bidder; and

WHEREAS, the lowest bid was \$5,521.57.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Laurel, Montana,

That the Mayor is authorized to negotiate and sign the contract with A-1 Drilling, attached hereto, at a price of \$5,521.57.

Introduced at a regular meeting of the City Council on July 19, 2016, by Council Member Dickerson.

PASSED and APPROVED by the City Council of the City of Laurel this 19<sup>th</sup> day of July, 2016.

APPROVED by the Mayor this 19<sup>th</sup> day of July, 2016.

CITY OF LAUREL

Mark A Mace  
Mark A. Mace, Mayor

ATTEST:

Shirley Ewan  
Shirley Ewan, Clerk/Treasurer

Approved as to form:

Sam S. Painter  
Sam S. Painter, Civil City Attorney

## **INDEPENDENT CONTRACTOR SERVICE CONTRACT**

This Contract is made and entered into this 19<sup>th</sup> day of July, 2016, between the City of Laurel, a municipal corporation organized and existing under the laws of the State of Montana whose address is P.O. Box 10, Laurel, Montana 59044, hereinafter referred to as "City" and A-1 Drilling, a contractor licensed to conduct business in the State of Montana, whose address is P.O. Box 339, Laurel, Montana 59044, hereinafter referred to as "Contractor".

### **SECTION ONE DESCRIPTION OF SERVICES**

A. Purpose. City shall hire Contractor as an independent contractor to perform for City the services described in the Bid dated June 23, 2016, attached hereto as Exhibit "A" and by this reference made part of this contract.

B. Effective Date. This contract is effective upon the date of its execution by both Parties. Contractor shall complete the services within 60 days of commencing work. The parties may extend the term of this contract in writing prior to its termination for good cause.

C. Scope of Work. Contractor shall perform his/her work and provide services in accordance with the specifications and requirements of this contract, any applicable Montana Public Work Standard(s) and Exhibit "A".

### **SECTION TWO CONTRACT PRICE**

Payment. . City shall pay Contractor five thousand, five hundred twenty-one dollars (\$5,521.27) for the work described in Exhibit A. Any alteration or deviation from the described work that involves extra costs must be executed only upon written request by the City to Contractor and will become an extra charge over and above the contract amount. The parties must agree to extra payments or charges in writing. Prior to final payment, Contractor shall provide City with an invoice for all charges.

### **SECTION THREE CITY'S RESPONSIBILITIES**

Upon completion of the contract and acceptance of the work, City shall pay Contractor the contract price, plus or minus any additions or deductions agreed upon between the parties in accordance with Sections one and two, if any.

### **SECTION FOUR CONTRACTOR'S WARRANTIES AND RESPONSIBILITIES**

A. Independent Contractor Status. The parties agree that Contractor is an independent contractor for purposes of this contract and is not to be considered an employee of the City for any purpose hereunder. Contractor is not subject to the terms and provisions of the City's personnel policies or handbook and shall not be considered a City employee for workers' compensation or any other purpose. Contractor is not authorized to represent the City or otherwise bind the City in any dealings, agreements or sub-contracts in any dealings between Contractor and any third parties. The City is

interested solely in the results of this contract. Contractor is solely responsible for all work and work product under this contract, including techniques, sequences, procedures, and means. Contractor shall supervise and direct the work to the best of his/her ability.

B. **Wages and Employment.** Contractor shall abide by all applicable State of Montana Rules, Regulations and/or Statutes in regards to prevailing wages and employment requirements. Contractor shall comply with the applicable requirements of the Workers' Compensation Act. Contractor shall maintain workers' compensation coverage for all members and employees of his/her business, except for those members who are exempted as independent contractors under the provisions of §39-71-401, MCA. Contractor understands that all contractors or subcontractors working on publicly funded projects are required to have withheld from earnings a license fee of one percent (1%) of the gross contract price if the gross contract price is Five Thousand Dollars (\$5,000) or more. This license fee is paid to the Montana Department of Revenue pursuant to Montana law.

C. Unless otherwise specified by the terms of this Agreement, all materials and equipment used by Contractor on the Construction Project shall be new and where not otherwise specified, of the most suitable grade for their intended uses.

D. All workmanship and materials shall be of a kind and nature acceptable to the City.

E. All equipment, materials, and labor provided to, on, or for the Contract must be free of defects and nonconformities in design, materials, and workmanship for a minimum period beginning with the commencement of the work and ending one (1) year from completion and final acceptance by the City. Upon receipt of City's written notice of a defective or nonconforming condition during the warranty period, Contractor shall take all actions, including redesign and replacement, to correct the defective or nonconforming condition within a time frame acceptable to the City and at no additional cost to the City. Contractor shall also, at its sole cost, perform any tests required by City to verify that such defective or nonconforming condition has been corrected. Contractor warrants the corrective action taken against defective and nonconforming conditions for a period of an additional one (1) year from the date of City's acceptance of the corrective action.

F. Contractor and its sureties are liable for the satisfaction and full performance of all warranties.

G. Contractor has examined the facilities and/or has made field examinations. Contractor has knowledge of the services or project sought under this Contract and he/she further understands the site conditions to be encountered during the performance of this Contract. Contractor has knowledge of the types and character of equipment necessary for the work, the types of materials needed and the sources of such materials, and the condition of the local labor market.

H. Contractor is responsible for the safety of the work and shall maintain all lights, guards, signs, temporary passages, or other protections necessary for that purpose at all times.

I. All work is performed at Contractor's risk, and Contractor shall promptly repair or replace all damage and loss at its sole cost and expense regardless of the reason or cause of the damage or loss; provided, however, should the damage or loss be caused by an intentional or negligent act of the City, the risk of such loss shall be placed on the City.

J. Contractor is responsible for any loss or damage to materials, tools, work product or other articles

used or held for use in the completion or performance of the Contract.

K. Title to all work, work product, materials and equipment covered by any payment of Contractor's compensation by City, whether directly incorporated into the Contract or not, passes to City at the time of payment, free and clear of all liens and encumbrances.

**SECTION FIVE  
INDEMNITY AND INSURANCE**

Contractor shall indemnify, defend and save City, its officers, agents and employees harmless from any and all losses, damage and liability occasioned by, growing out of, or in any way arising or resulting from any intentional or negligent act on the part of Contractor or its agents or employees.

**SECTION SIX  
COMPLIANCE WITH LAWS**

Contractor shall comply with all federal, state, local laws, ordinances, rules and regulations. Contractor shall either possess a City business license or shall purchase one, if a City Code requires a business license.

**SECTION SEVEN  
NONDISCRIMINATION**

Contractor agrees that any hiring of persons as a result of this contract must be on the basis of merit and qualification and further that Contractor shall not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability or national origin.

**SECTION EIGHT  
DEFAULT**

If either party fails to comply with any term or condition of this Contract at the time or in the manner provided for, the other party may, at its option, terminate this Contract and be released from all obligations if the default is not cured within ten (10) days after written notice is provided to the defaulting party. Said notice shall set forth the items to be cured. Additionally, the non-defaulting party may bring suit for damages, specific performance, and any other remedy provided by law except for punitive damages. The Parties hereby waive their respective claims for punitive damages. These remedies are cumulative and not exclusive. Use of one remedy does not preclude use of the others. Notices shall be provided in writing and hand-delivered or mailed to the parties at the addresses set forth in the first paragraph of this Contract.

**SECTION NINE  
TERMINATION**

Either party may terminate the contract for their convenience upon thirty days written notice sent postage prepaid, to the addresses provided herein.

**SECTION TEN  
GOVERNING LAW AND DISPUTE RESOLUTION**

The Parties agree that the laws of the State of Montana govern this Contract. The Parties agree that venue is proper within the Courts of Yellowstone County, Montana. If a dispute arises, the Parties, through a representative(s) with full authority to settle a dispute, shall meet and attempt to negotiate a resolution of the dispute in good faith no later than ten business days after the dispute arises. If negotiations fail, the Parties may utilize a third party mediator and equally share the costs of the mediator or file suit.

**SECTION ELEVEN  
ATTORNEY FEES**

If any action is filed in relation to this agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all sums that either is ordered to pay, a reasonable sum for the successful party's attorney's fees and all costs charges and expenses related to the action.

**SECTION TWELVE  
ENTIRE AGREEMENT**

This contract and its referenced attachment and Exhibit A contain the entire agreement and understanding of the parties and supersede any and all prior negotiations or understandings relating to this project. This contract shall not be modified, amended, or changed in any respect except through a written document signed by each party's authorized respective agents.

**SECTION THIRTEENTH  
ASSIGNMENT OF RIGHTS**

The rights of each party under this Contract are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.

**SECTION FOURTEEN  
SEVERABILITY**

Each provision, section, or subsection of this Contract shall stand separate and independent of every other. In the event that a court of competent jurisdiction shall find any provision, section, or subsection of this contract to be invalid, the remaining provisions, sections, and subsections of this contract shall remain in full force and effect.

**SECTION FIFTEEN  
PARAGRAPH HEADINGS**

The titles to the paragraphs of this contract are solely for the convenience of the parties and shall not be used to explain, simplify, or aid in the interpretation of the provisions of this agreement.

SIGNED AND AGREED BY BOTH PARTIES ON THE 19<sup>TH</sup> DAY OF JULY, 2016.

CITY OF LAUREL

Mark A. Mace  
Mark A. Mace, Mayor or Heidi Jensen, CAO

ATTEST:

Shirley Ewan  
Shirley Ewan, Clerk/Treasurer

CONTRACTOR

Mark Jensen  
A-1 Drilling

Employer Identification Number

517-94-0721

HELENA  
PO Box 4817 ▪ 2501 Belt View Drive  
Helena, MT 59604  
406.449.8627 ▪ Fax 406.449.8631



July 1, 2016

Kurt Markegard  
City of Laurel, Public Works Director  
P.O. Box 10  
Laurel, MT 59044

**RE: Award Recommendation for Water-Supply Well for New WTP Intake Project  
Great West Engineering Project No. 2-07128-T026**

Dear Kurt:

We solicited bids from four contractors to drill the water-supply well at the control building, which will supply the hot water flush system for the new WTP intake; two bids were received. The total depth of the well required for the site is unknown, but an estimate was given to the bidders. Although the bids received were based on two different well depths, an effort was made to determine the price per foot of well installed. This price per foot included all parts, labor and mobilization to complete the well. Based on the determined price per foot of each bid, A-1 Drilling of Laurel, MT is the lowest responsive and responsible bidder with a total bid of \$5,521.57. Additionally, A-1 drilling has been selected as a subcontractor by Wilson Bros. Construction to install the well pump, piping and appurtenances.

For these stated reasons, it is our opinion that awarding the project to A-1 Drilling is in the City's best interest. We formally recommend the award of the well drilling contract to A-1 Drilling.

As always, feel free to contact me with any questions and/or concerns.

Sincerely,

**Great West Engineering, Inc.**

*Jonathan Weaver*  
Jonathan Weaver, PE  
Project Manager

enc: Received Bids

cc: Heidi Jensen, City of Laurel CAO  
Chad Hanson (via email)  
Project File

BILLINGS  
115 N Broadway  
Suite 500  
Billings, MT 59101  
406.652.5000  
Fax 406.248.1363

A-1 DRILLING  
 PO BOX 339  
 LAUREL, MT 59044

# Estimate

DATE	ESTIMATE #
6/23/2016	634

NAME / ADDRESS
Great West Engineering, Inc Jonathan Weaver 2105 Belt View Drive Helena, MT. 59604

TERMS	PROJECT

DESCRIPTION	QTY	TOTAL
City of Laurel, MT. Water supply Well		
Test Hole Footage	40	880.00
6 .025 Wall Blk PE Well Casing (D)	40	854.00
4" Sch 40 PVC Bottom Point	1	26.75
4" SCH. 40 PVC MALE BOTTOM POINT	1	26.00
4"x10' Sch 40 PVC Blank	1	94.28
4"x5' SCH40 PVC BLANK	1	59.36
4"x5'x.020 Sch40 PVC /screen	1	59.36
4"x5'x.020 Sch40 PVC /screen	2	244.44
50LBs Bags 10/20 Silica Sand per foot.	1	10.73
3/8" Hole Plug per foot .	1	6.35
Rig Time at job site Well Completion	4	1,100.00
Protection casing , post and pad	1	1,500.00
Well Developing with gas drive pump and two men	4	660.00
** Base one one well		

This only a ESTIMATE!!! This Estimate good for THIRTY Days!		<b>TOTAL</b>	\$5,521.27
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Phone #
406-628-6364



\* \* \* I N V O I C E \* \* \*

AMERICAN DRLG. & SUPPLY, INC.  
 7044 NIEHENKE AVENUE  
 BILLINGS, MT 59101  
 406-652-4444 FAX:406-651-0840

INVOICE NO.:000073190000  
 CUSTOMER NO.:1250  
 DATE: 06/06/16

**SOLD TO:**  
 ESTIMATE:SCREENED 6" WELL  
 GREAT WEST ENGINEERING  
 2105 BELT VIEW DRIVE  
 HELENA, MT 59604

**SHIP TO:**  
 ESTIMATE  
 ATTN:JONATHAN WEAVER  
 jweaver@greatwesteng.com  
 406-495-6171,

SHIP DATE SHIPPED VIA F.O.B. TERMS PERSON DATE P.O. NUMBER

/ / DUE ON RECEIPT CS

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
	***** ***ESTIMATE**ESTIMATE**ESTIMATE*** 6" WATER SUPPLY WELL LAUREL,MT *****		
1	MOBILIZATION/DEMOBILIZATION	1,000.00	1,000.00
1	35' WELL MINIMUM LUMP SUM INCLUDES: 6" DRILLING OF SOILS 6" STEEL CASING 6" DRIVE SHOE/GROUTED/SEALED 6" TEMPORARY WELL CAP	2,800.00	2,800.00
1	6" STAINLESS SCREEN SETUP LUMP SUM: 5' 6" STAINLESS STEEL SCREEN KPACKER/PLATE BOTTOM/TAIL PIPE	900.00	900.00
1	4HRS@\$250.00 DEVELOPE SCREENED WELL	1,000.00	1,000.00
1	PROTECTIVE PAD/POSTS	500.00	500.00
	***** ADDITIONAL WELL: \$5200.00 LUMP SUM ***** ABANDONMENT OF WELL \$1000.00 CHLORINATE WELL REMOVE CASING/BENTONITE GROUT ***** STANDBY TIME-\$300.00 @ HR		

\* T H A N K Y O U \*



*Curt & "Sweet Sue"*  
 406-652-4444 Mobile: 698-2601  
 Billings, MT 59101  
**COMPLETE WATER SYSTEMS**  
 Residential \* Commercial \* Stock \* Irrigation  
 Geothermal \* Caisson \* Cathodic \* Monitoring  
 Pump Sales \* Installation \* Service  
 Solar Pumps \* Constant Pressure Systems  
 Pressure Tanks \* Cisterns  
 Featuring WaterRight Water Treatments

E-mail: [amdilling@live.com](mailto:amdilling@live.com)