

March 20, 2026

Elizabeth Jackson, City Administrator
City of Medford
408 2nd Avenue SE
Medford, MN 55049

RE: MEDFORD MAINTENANCE FACILITY LETTER OF RECOMMENDATION

Dear Administrator Jackson and City Council Members,

On Thursday, March 19, 2026 at 2:00 p.m. bids were received and opened for the Medford Maintenance Facility project. There were six (6) contractors submitting bids for the project ranging from \$621,490 to \$754,000. A bid tabulation is attached for your review.

Overall, the bidding was favorable with two bidders submitting a bid that was below the original estimate for construction. To utilize the City's tax-exempt status, the bidders were asked to provide a base bid amount for the entire project as well as separate bids for labor and materials to meet bidding requirements. A purchasing agent agreement will be prepared and sent to the awarded contractor for signature to allow the awarded contractor to purchase materials exempt from state sales taxes.

The bid tabulation form included with this letter indicates Mohs Contracting, Inc of Owatonna, MN was the apparent low bidder.

As a part of the review of the bids, Oleson + Hobbie Architects, LLC (OHA) discussed the work of the project, materials, addendum items, and schedule with Mohs Contracting, Inc. They indicated that they had included all the materials and labor to complete the project as drawn. They are comfortable with their submitted bid amounts as well as their ability to complete the work in the timeline provided. They were confident with the bid prepared and were not concerned that any items had been omitted.

OHA has worked with Mohs Contracting, Inc in the past and are comfortable with the work they have performed. Based upon the information above, OHA recommends that the City of Medford award the project to Mohs Contracting, Inc. for the Medford Maintenance Facility project as bid for \$621,490.

Please note that two alternate heating systems were included in the bidding documents to allow the city to choose an upgraded heating system if the budget allowed. The alternate price for in-floor heating was \$35,100. This option would be an asset to the facility and should be considered for inclusion. If the Council decides to add the alternate heating system, the overall contract would be \$656,590.00.

Upon notification from the administrator following your review and action, OHA will prepare two AIA contracts between the Owner and Contractor for the project based upon the Base bid for Materials as well as Labor. In addition, the Purchasing Agent Agreement will also be prepared to allow the contractor to act as the City's agent in purchasing tax-free materials for this project.

Best Regards,



Tim Auringer
Project Manager
OHA Architecture + Design

