

JULY 11, 1958

Pursuant to a call by the Mayor the City Council of the City of Idaho Falls met in Special Session July 11, 1958 at 10:00 A.M. in the Mayor's Chambers for the purpose of selecting a successful bidder on Phase I of the interceptor sewer project. Present at said Meeting: Mayor John B. Rogers; Councilmen Petersen, Foote; Absent: Councilmen Freeman and Johnson. Also present: Roy C. Barnes, City Clerk; Arthur Smith, City Attorney; Don Ellsworth, Asst. City Engineer; Earl Reynolds, from the engineering Firm of Cornell, Howland and Merryfield.

Mr. Eldon J. Kloepfer from the Kloepfer Construction Company appeared before the Council. It is to be noted here that his firm presented the low bid on Phase I of the sewer interceptor project and a discussion of that bid was the purpose of his appearance. Mr. Kloepfer had previously advised Mr. Reynolds that he wished to withdraw his bid or at least make other arrangements and the Council asked him to explain his position.

He said he had made a gross error in computation of excavation costs—that he had figured only about one half enough to cover costs of excavation and back fill, making a difference of about \$47,000.00 that he should have included but didn't.

Asked how and why this error came about, he explained further that on all the deep ditches he had figured on the basis of five feet wide and twenty feet deep. The he recognized the fact that the State Safety Code called for a ditch as wide at the top as its depth, resulting in a V-shaped trench. He then figured on that basis and when computing his totals, he inadvertently took the first figure rather than the second. Asked if he did the computing himself he answered in the affirmative. He then volunteered the information that were he to be allowed to negotiate, he would accept the job at his original bid plus \$47,000. He concluded by admitting that, under the circumstances, three courses were open to him:

1. Take the job if agreeable, at his original bid of \$372, 139.44 plus \$47,000.
2. Do the job and suffer a substantial loss.
3. Withdraw and forfeit his bond.

Mr. Kloepfer then excused himself with the understanding that this group would reconvene at 2:30 P.M. this same afternoon.

It seemed to be the general consensus of opinion of most all present that it would not be wise to call for new bids as this would cause the City to lose faith with other contractors and also because of the time loss factor. It also seemed that all were in agreement that if new bids were called for and Mr. Kloepfer decided against bidding or raised his bid substantially the City would have no recourse against him.

It was also agreed that the least successful solution would be to force Mr. Kloepfer to proceed with his work against his wishes. This could conceivably result in the bonding company taking over the completion of the job.

No formal action could be taken for lack of a quorum. The Meeting was recessed until 2:30 P.M.

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2:20 P.M.

The City Council of the City of Idaho Falls, Idaho met in Recessed Session at 2:30 P.M. in the Mayor's Chambers as a continuation of the earlier meeting called for at 10:00 A.M. Present: Mayor John B. Rogers; Councilmen Foote, Freeman, Petersen. Absent: Councilman Johnson. Also present: Roy C. Barnes, City Clerk; Arthur Smith, City Attorney; Don Ellsworth, Asst. City Engineer; and Earl Reynolds, of the engineering firm of Cornell, Howland, Hayes and Merryfield.

Mr. Kloefer again appeared before the Council. After some discussion it was moved by Councilman Petersen, seconded by Foote, that the City accept the bid of Kloefer Construction Company in the amount of \$372,139.44, subject to the approval of the Public Health Service. Roll call as follows: Ayes, 3; No, None; carried.

Mr. Smith then requested of Mr. Kloefer that if his firm did not intend nor expect to sign the contract that they give the City a letter to that effect immediately in view of the fact that time is of the essence.

Mr. Kloefer declined until he had an opportunity to consult with legal counsel. The City Clerk was instructed to prepare a letter for Mr. Kloefer, stating the action the Council had taken.

In other matters, it was moved by Councilman Foote, seconded by Freeman, that the Mayor be authorized to write a letter to Mrs. Koster, from whom the City is buying the property for the sewage disposal site, advising her that the City is exercising their option for the purchase of the Koster property. Roll call as follows: Ayes, 3; No, None; carried.

It was moved by Councilman Petersen, seconded by Freeman, that the Mayor be authorized to instruct the Purchasing Agent to acquire the following equipment for the 9th Street Well from the Nickerson Pump & Machinery Co.; 70 feet of water column, oil column and shaft, 13 threaded couplings for 12" columns, three oil column guide bearings and one set 16" bowl assembly. Roll call as follows: Ayes, 3; No, None; Carried.

The Meeting was then declared recessed by the Mayor until such time in the near future when Mr. Kloefer could again meet with the group.

ATTEST: s/ Roy C. Barnes
CITY CLERK

s/ John B. Rogers
MAYOR
