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# Memorandum

**To:** Brian Olson, Dir. Of Public Works  
**From:** James B. Lasher  
**Project:** Ramsey Municipal Parking Facility – Phase II City Project 10-22, SP 199-080-02  
**Subject:** Results of Bid and Contract Award recommendation  
**Date:** June 21, 2011

On May 10, 2011, the City Council of the City of Ramsey directed staff to advertise and take bids for the Ramsey Municipal Parking Facility project. On June 21, 2011 at 2 PM, bids were opened with the following results:

<u>Bidder</u>	<u>Base Bid</u>	<u>Alternate #1</u>
Knutson Co.	\$2,686,000	\$ 48,000
A & P Co.	\$2,896,200	\$ 57,000
Donlar Inc.	\$3,007,000	\$183,000
Sheehy Inc.	\$3,439,300	(\$ 71,000)
Shaw/Lundquist	\$3,455,000	\$ 105,000

Knutson Inc. is the Apparent Low Bidder with a Base Bid of \$2,686,000.

## BACKGROUND

The City of Ramsey was awarded a \$5.9 Million in Federal CMAQ (Congestion Mitigation/Air Quality) funds by the Metropolitan Council in the 2005 solicitation for two separate and distinct projects:

- Project #1 – approximately \$1.6 Million to provide bus service to and from the City of Ramsey to Downtown Minneapolis for a period of three years, and,
- Project #2 – approximately \$4.3 Million to add an additional 200 park and ride stalls to the existing Ramsey Municipal Parking Facility.

Ramsey is currently providing the “Ramsey Star Express” bus service to Downtown Minneapolis in cooperation with Anoka County and that 3 year term is about to be completed. This bid opening is for Project #2.

## BID DOCUMENT PREPARATION

During the preparation of final plans and bid specifications for the 200 car parking ramp expansion, city staff directed the design team to prepare a bid offering that would allow for significant flexibility in the date that the City could award the Contract for Construction. This was done primarily due to the, (1) pending shut-down of the State of Minnesota and likely MnDOT offices on July 1, 2011 and, (2)

to coordinate construction activities with a pending project adjacent to the proposed parking ramp expansion. As a result of this request, Alternate #1 was added to the bid form that provided a price from the contractor assuming a delayed award until August 2011 and the City not taking ownership of the completed ramp until late spring 2012.

## **CONTRACT AWARD RECOMMENDATION**

We are recommending a two phased approach to the award of this Contract that will give the City flexibility in timing and completion of the project.

### Phase I

At this time, plans are in place for the State of Minnesota to shut down significant operations on or about July 1, 2011 at midnight. The City will not be allowed to award this Contract without MnDOT State Aid and MnDOT DBE/EEO offices being fully operational due to their review and approval authority over the use of CMAQ funds. In light of this pending closure, we recommend that the City of Ramsey delay awarding this Contract for Construction until such time as either the State has closed and re-opened or the Legislature and the Governor reach a compromise that will allow all State functions to continue operations.

### Phase II

Upon either the continued operations or reopening of State functions, it is our recommendation that the City Council award a Contract for Construction to Knutson Inc, hereby defined as the Lowest Responsible Bidder, contingent upon MnDOT Civil Rights Office reviewing and approving Knutson Inc.'s DBE and EEO plans for the project. The specific award amount can be based either upon the Base Bid or the Alternate Bid depending on the timing of State of Minnesota re-opening.

## **REMAINING GRANT FUNDS**

In the even the City elects to award a Contract for Construction to Knutson, Inc for up to \$2,734,000, this award would leave a balance of federal and local funds of approximately \$1.6 Million. We recommend that the City retain a balance of \$200,000 to cover unknown conditions and change orders during construction, this will leave a balance of approximately \$1.4 Million unallocated funds.

Therefore, I recommend that the City request a meeting with MnDOT State Aid office and begin to review what opportunities the City has to best utilize these remaining funds. While there is no assurance that these funds will be made available for other uses, it would be prudent at this time to raise the topic for discussion.

C: Susan Lee – LSA Design  
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