

Meeting Date: 06/26/2012

By: Tim Himmer, Engineering/Public Works

Information

Title:

Consider Award of Contract for City Improvement Project 12-20; Sunwood Drive Realignment

Background:

The Armstrong Boulevard/Highway 10 interchange project is considered one of the highest transportation priorities in the City. In an effort to reduce the overall costs the Council has been discussing ways to preconstruct portions of this project, such that it can be accomplished in phases. One phase of this interchange project is the realignment of Sunwood Drive, which is being considered to improve traffic flow through the area in the short term, create a consolidated signalized access to the COR along its western boundary, provide for a portion of the City's cost participation in the interchange project, and create additional development options for the COR property. The Sunwood realignment will construct the first intersection north of Highway 10 on Armstrong Boulevard, at a location that addresses the major concerns expressed by MnDOT and Anoka County.

The project includes the realignment of Sunwood Drive, between approximately Zeolite Street and Armstrong Boulevard (see attached preliminary design). The intent is to work north to south on Armstrong Boulevard and complete another section of the roadway in its final location; to set the stage for the ultimate interchange over the railroad tracks and Highway 10. Draft feasibility studies were presented to the Public Works Committee and HRA on December 13, 2011, and on that date the HRA authorized the preparation of appraisals for the potential acquisition of 3 parcels along the west side of Armstrong Boulevard that are necessary for portions of this project, and ultimately the interchange project.

On January 24, 2012, draft feasibility studies were presented to the City Council for consideration. At that meeting the City Council authorized the final design contracts with Landform and WSB & Associates, and ordered the preparation of plans and specifications. On May 22, 2012, the City Council authorized the bidding of the Sunwood project. On June 12, 2012, the City Attorney and staff updated the Council on the required acquisitions for the project, and provided an updated project accounting. It was the direction from that meeting to continue with the land acquisitions, as they would be necessary for the interchange project, and come back with a final funding package once the bids for the project are opened and award of a construction contract is being considered. To date all properties needed for this project have been negotiated and tentative deals are in place.

Observations:

The final plans and specifications have been submitted to and approved by the various review agencies, including Anoka County and the Minnesota Department of Transportation (MnDOT). It is required that we have final approval from both entities before the bids can be opened and a contract awarded. The plans and specifications were published according to State Statutes and distributed to various contractors. The bids were opened on Monday June 25th, tabulated, reviewed, and forwarded to the City Council (along with a final financing package) prior to the June 26th meeting where an award of a construction contract is being considered. This agenda has now been updated with the bid information.

Recommendation:

Staff recommends that the City Council approve Resolution 12-06-XXX, awarding a contract for City Improvement Project 12-20; Sunwood Drive Realignment, to North Pine Aggregate, Inc., in the amount of \$2,342,825.82. The contractor and cost information are attached. The accompanying resolution will be updated following the award of bid by Council and prior to execution.

Funding Source:

Attached to this case is the funding package that was previously approved by the City Council on March 13, 2012, which has been narrowed to scenario #2 because we were unsuccessful in securing the Metropolitan Council TOD grant. Based upon the revised construction estimates, updated acquisition costs, and projected overhead costs (permits, engineering, material testing, etc.), following is the revised funding information that was presented to the City Council on June 12, 2012:

Land Acquisition	\$2,700,000
Armstrong Blvd	\$1,650,000
Sunwood Drive	\$1,075,000
COR Grading & Northstar Market Place Access Revisions	\$210,000
Streetlighting	\$112,000
Engineering/Construction Administration/Testing	\$470,000
TOTAL	\$6,217,000

Anoka County	\$1,700,000
LRIP Grant	\$500,000
Equipment Revolving Fund	\$1,056,450
TIF #2	\$500,000
Stormwater Utility Fund	\$267,411
Water Utility Fund	\$243,629
Sanitary Sewer Utility Fund	\$22,043
EDA (Nordvik acquisition)	\$600,000
Excess Rail Funding	\$500,000
Streetlight Utility	\$112,000
COR land sale proceeds *	\$500,000
TOTAL	\$6,001,533

As can be seen above there is approximately \$215,500 that is unaccounted for with this project. This overage is primarily the costs associated with construction administration and material testing, which was previously planned to be completed with City staff, but due to recent staffing changes we are currently unable to perform all of this work. It is also proposed that the Streetlight Utility Fund finance the streetlighting component of this project. The COR land sale proceeds referenced above will need to be discussed by the Housing and Redevelopment Authority (HRA) to determine whether they are interested in deviating from the existing land sale distribution policy, and apply the entire amount of a pending land sale to this improvement project. A final funding package will be provided to the City Council now that the bids are opened and construction administration proposals are reviewed.

Council Action:

Motion to approve Resolution 12-06-XXX, awarding a contract for City Improvement Project 12-20; Sunwood Drive Realignment, to North Pine Aggregate, Inc., in the amount of \$2,342,825.82.

Attachments

Project Layout

Previously Approved Funding Package

Bid Tabulations and Recommendation Letter
Resolution

Form Review

Inbox
Kurt Ulrich

Form Started By: Tim Himmer

Reviewed By
Kurt Ulrich

Final Approval Date: 06/20/2012

Date
06/20/2012 09:15 PM
Started On: 06/18/2012 04:08 PM