



## MAYOR AND COUNCIL COMMUNICATION

DATE: 8/06/2013

**REGULAR**

ITEM #: 10

**AGENDA ITEM:** Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30<sup>th</sup> Street – Accept Bids and Award Contract

**SUBMITTED BY:** Jack Griffin, City Engineer

**THROUGH:** Dean A. Zuleger, City Administrator

**REVIEWED BY:** Adam Bell, City Clerk  
Cathy Bendel, Finance Director  
Ryan Stempiski, Assistant City Engineer

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### SUGGESTED ORDER OF BUSINESS:

- Introduction of Item .....City Engineer
- Report/Presentation..... City Engineer
- Questions from Council to Staff.....Mayor Facilitates
- Public Input, if Appropriate .....Mayor Facilitates
- Call for Motion .....Mayor & City Council
- Discussion .....Mayor & City Council
- Action on Motion.....Mayor Facilitates

### SUMMARY AND ACTION REQUESTED:

The City Council is respectfully requested to consider accepting contractor bids as presented and awarding a contract for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30<sup>th</sup> Street. The recommended motion for this action is as follows:

***“Move to approve Resolution No. 2013-59, Accepting the Bids and Awarding a Contract to Minger Construction, Inc., in the amount of \$3,463,201.60, for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30<sup>th</sup> Street.”***

### STAFF REPORT:

Bids were received, publicly opened, and read aloud on July 23, 2013. The city engineer has prepared and attached the Tabulation of Bids and a Letter of Recommendation for the award of the contract. The City received four (4) bids for this project, with Minger Construction, Inc. providing the lowest base bid in the amount of \$3,463,201.60. The Engineer’s post-design construction cost estimate for the project was \$3.3 million, excluding a 10% contingency.

The project remains within the budget amounts established with the project authorization. Minger Construction, Inc. is a known contractor having successfully completed similar projects in the Metro Area. The city engineer is therefore recommending that the Council award the contract to the lowest responsible bidder, Minger Construction, Inc., as outlined in the attached letter. Minger Construction is coordinating material lead times and is planning to put 2 to 3 crews on the project to meet the substantial completion date

of December 20, 2013. The Contractor has communicated a balanced bid and is prepared to deliver the project per the plans and specifications.

The City Council approved the Plans and Specifications for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30<sup>th</sup> Street, on May 21, 2013, and authorized staff to advertise the Project for bids. The Project was advertised on QuestCDN.com, Finance and Commerce, and in the Oakdale-Lake Elmo Review in accordance with the Minnesota Competitive Bidding requirements. The improvements include:

- The Village lift station located just north of 30th Street and east of Reid Park, consisting of a 12-foot diameter concrete wet well, two 1,200 gallon per minute submersible pumps, electrical/SCADA control panel, chemical feed odor control system, standby generator, and lift station site work.
- Directional drilling (trenchless installation) of 16,250 feet of 16-inch forcemain along 30th Street and Lake Elmo Avenue to a location just south of Cimarron.
- Open trench installation of 4,140 feet of 24-inch diameter trunk sewer pipe from the southern edge of Cimarron to Hudson Boulevard.

The project is the first phase of a multi-phase plan to bring municipal sewer service to the Village area by constructing a lift station, forcemain and trunk gravity sewer line. The improvements are necessary to convey wastewater from the Village area, along Lake Elmo Avenue to the MCES meter station located on Hudson Boulevard. Trunk gravity sewer pipe will be installed in the area south of 10th Street to make sewer service available to future development in the I94 east corridor area. The project need is documented in the city's 2030 Comprehensive Plan and has been programmed in the 2013 Capital Improvement Program.

The total "post-design" engineer's estimate of project cost is \$4.5 million vs. a CIP project budget amount of \$4.9 million.

#### **FUNDING:**

The project will be partially funded from the \$1.0 million DEED Sewer Grant. The state's obligation to fund the DEED Grant shall terminate if the entire Grant has not been disbursed by December 31, 2014. The remaining project costs will be funded through the issuance of bonds with the debt retirement to be funded through the collection of Sewer Availability and Sewer Connection charges established by the City.

#### **RECOMMENDATION:**

Staff is recommending that the city council approve Resolution No. 2013-59, thereby accepting the bids and awarding a Contract to Minger Construction, Inc., in the amount of \$3,463,201.60, for the Lake Elmo Avenue Sewer Infrastructure Improvements: I-94 to 30<sup>th</sup> Street. The recommended motion for this action is as follows:

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#### **ATTACHMENT(S):**

1. Resolution No. 2013-59
2. Engineer's Letter of Recommendation and Tabulation of Bids
3. Project Schedule
4. Project Location Map