



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Lance Meyer, P.E., City Engineer

DATE: December 2, 2019

SUBJECT: **31ST AVE SE RECONSTRUCTION AWARD OF BID AND ENGINEERING
CONTRACT AMENDMENT 1 (4331)**

I. RECOMMENDED ACTION

1. Recommend the Council award the low bid to Wagner Construction Inc. d/b/a Wagner Place and authorize the Mayor to sign the contract;
2. Recommend Council approve the contract amendment with Apex Engineering Group and authorize the Mayor to sign the amendment

II. DEPARTMENT CONTACT PERSONS

Lance Meyer, City Engineer	701-857-4100
Emily Huettl, Assistant City Engineer	701-857-4100

III. DESCRIPTION

A. Background

The 31st Ave SE corridor has been scheduled for reconstruction through the NDDOT Urban Roads program. The city council has selected an engineer, held public input, and selected several project design alternatives.

B. Proposed Project

The 31st Ave SE reconstruction will convert the two lane rural section into a 3 lane urban section. The work will include concrete pavement, shared use path and sidewalk, street lighting, and significant storm sewer improvements.

C. Consultant Selection

Apex Engineering Group was selected using a qualifications based selection process. Over the 18 month project design, several out of scope tasks occurred for which Apex is seeking a contract amendment for additional design services in the amount of \$51,668.00. The out of scope tasks include modeling and design of the roundabout, additional easement acquisitions needed to build the project, traffic signal modifications requested by staff as part of our signal upgrade project, and street lighting modifications required due to changes in project limits. These additional costs were out of Apex's knowledge or control at the time the contract was signed. Staff has reviewed the requested fee and found the request to be fair and reasonable. Staff recommends Apex be paid for their work.

On November 8th, the NDDOT held a bid opening for this project. The low bid was received from Wagner Construction Inc. d/b/a Wagner Place of International Falls, MN. The bid amount was \$8,448,393.40 which was \$253,838.05 under the engineer's estimate. The

NDDOT has reviewed the bid for federal compliance requirements and found the bid to be acceptable.

IV. IMPACT:

A. Strategic Impact:

31st Ave is a strategic corridor for the City. It is classified as a minor arterial, which means the road is designated to carry a large volume of traffic to and from other arterials. 31st Ave is the last major roadway improvement planned in southeast Minot in developing areas.

B. Service/Delivery Impact:

During construction, access challenges will have to be mitigated to the extent possible. Once complete, the roadway will have the necessary safety, capacity, and quality the citizens expect for an arterial roadway.

C. Fiscal Impact:

Phase	Total	NDDOT	City
Construction	\$ 8,448,393.40	\$ 6,099,335.79	\$ 2,773,933.62
10% Contingency	\$ 844,839.30	\$ 675,871.44	\$ 168,967.86
Engineering	\$ 1,388,567.27		\$ 1,388,567.27
Right of Way	\$ 50,000.00		\$ 50,000.00
Total	\$ 10,731,799.97	\$ 6,775,207.23	\$ 4,381,468.75

The costs above are based on the bid amounts from Wagner Construction. Federal funds are obligated up to a maximum of \$6,934,892 but shall not exceed 80.93 percent of federally eligible costs. The remaining costs shall come from City funds. Any sewer and water improvements, and half of the storm sewer costs are 100% funded by the City which is why the cost share above is not exactly 80/20.

The City’s cost share will come from oil & gas funds, highway reserve cash reserves and levy funds.

V. ALTERNATIVES

The only other alternative is for the Council to reject the low bid by Wagner Construction. The project would have to be rebid or canceled. The City received a qualified low bid under the estimate, so this alternative is not advisable.

The Council could choose not to amend the contract with Apex. However, they would remain unpaid for out of scope work. Staff has reviewed their costs and found them to be reasonable and very fair.

VI. TIME CONSTRAINTS

The award of bid for Wagner Construction must be approved by December 8th to meet the 30 day award period by the NDDOT.

VII. LIST OF ATTACHMENTS

- A. Letter from Apex Engineering Group
- B. Exhibit K Contract Amendment
- C. NDDOT Bid Review Letter