REQUEST FOR PURCHASE IN EXCESS OF $20,000/CHANGE ORDER

To: Members of Edina Housing and Redevelopment Authority

Agenda Item #: HRA V.

The Recommended Bid is
☒ Within Budget
☐ Not Within Budget

From: Brian E Olson, PE, Director of Public Works BEO

Date: June 3, 2014

Subject: Request for Purchase - Award of Bid – Improvement P-23, 50th & France District Improvements (Contracts 1, 2, 4 & 5)

Date Bid Opened or Quote Received:	**Bid or Expiration Date:**
May 22, 2014	May 22, 2014

Company:	**Amount of Quote or Bid:**
Bid Package1	
Blackstone Contractors	$447,000.00
Bid Package 2	
Restoration Systems	$863,000.00
Ram Construction Services of Minnesota	$874,874.00
Merit Construction Services Inc.	$893,176.00
LS Black Constructors	$2,277,623.51
Bid Package 4	
Blackstone Contractors	$1,089,045.00
Bid Package 5	
Superior Painting	$204,397.00
Sunrise Painting	$290,195.00

Recommended Quote or Bid:

Bid Package 1	
Blackstone Contractors	$447,000.00
Bid Package 2	
Restoration Systems	$863,000.00
Bid Package 4	
Blackstone Contractors	$1,089,045.00
Bid Package 5	
Superior Painting	$204,397.00

General Information:
On August 20, 2013 City Council authorized the preparation of a feasibility Study for the 50th & France Parking and way finding Improvement Project, Edina Improvement no.P-23. This report was completed and

prepared and presented on January 21, 2014 by Kimly-Horn and Associates. Project P-23 was approved on March 4,2014. This project includes the 3 Parking Ramp Facilities Located in the 50th and France Business District, that are owned and maintained by the City.

The project involves a Way finding System on the four main entrances into the District, along with a streetscape improvements. The Project also includes both structural restoration and painting of each ramp. A fifth contract will be for parking ramp light fixture replacement and that bid has been postponed until June 5th. We anticipate that contract to be awarded on the June 17th City Council agenda.

The project was bid with five bid packages because the Project Management Team determined the city would likely benefit by the project being delivered in separate bid packages, because that approach, given a low-bid selection process, tends to select more experienced contractors for the specialty work.

Blackstone Contractors was the low bidder on Bid Package 1 which includes the Way finding System. Restoration Systems was the low bidder on Bid Package 2 which includes the Parking Structure Restoration. Blackstone Contractors was the low bidder on Bid Package 4 which includes the Streetscape Improvements. Superior Painting was the low bidder on Bid Package 5 which includes the Parking Structure Painting.

Blackstone Contractors, LLC was the only bidder on Bid Package1 and Bid Package 4. There has been discussion about the possibility of rebidding one or both of these bid packages with the goal of getting multiple bids to validate the bid price. All of the bid packages were advertised the same way, consistent with Edina standard practice and typical of other municipalities in the Twin Cities market. The result for Bid package 1 and Bid Package 4 is likely evidence of a bidding climate in which contractors can be more selective what they choose to bid on, combined with the high expectations of a construction project in a premier neighborhood shopping and dining district. Rebidding the project is not recommended by Staff at this time. There is benefit to having the same Contractor under the two contracts for coordination purposes. References have been checked on Blackstone and their subcontractors, and we are concerned that the project will not be able to be delivered before the holiday shopping season with a delay in bids.

Details of the Bid Package analysis can be found in the table below.

Bid Package	Bid Amount	Comments	Staff Recommendation
1 – Way finding System	$447,688.00	Bid ~37.75% higher than the engineers estimate.	Award Bid
2 – Parking Structure Restoration	$ 863,000.00	Bid ~21.54% lower than Engineers estimates	Award Bid
4 – Streetscape Improvements	$1,089,045.00	Bid ~19.67% Higher than Engineers estimate.	Award Bid
5-Parking Structure Painting	$ 204,397.00	Bid~ 72.74% lower than Engineers estimate.	Award Bid
Total Recommended Award Amount	**$2,604,130**	**Award Bids 1,2,4,5**	

This project cost will be borne by the District Business owners through the MN 429 special assessment process, and capitol improvement related costs by the Edina Housing and Redevelopment Authority from the Centennial Lakes TIF District. Considering the bid unit prices, we are anticipating a savings of $480,870.00 (16% under the Estimates) when all bid packages are considered.

The final special assessments will be calculated prior to the final assessment hearing in 2015.

Staff recommends awarding Bid Package 1 to Blackstone Contractors; Bid Package 2 to Restoration Systems; Bid Package 4 to Blackstone Contractors; and Bid Package 5 to Superior.

Staff recommends hiring Kimly-Horn for construction administration and observation for this project for an amount not to exceed $375,000.00. Attached is the scope of services for this work.

G:\PW\CENTRAL SVCS\ENG DIV\PROJECTS\CONTRACTS\2014\ENG 14-1 Morningside B\ADMIN\MISC\Item IV. F. ENG 14-1 RFP.docx

Kimley»Horn

May 28, 2014

Mr. Brian Olson, P.E.
Public Works Director
City of Edina Public Works Department
7450 Metro Boulevard
Edina, Minnesota 55439

RE: Recommendation of Bids
50th & France District Improvements
Edina Improvement No. P-23

Dear Mr. Olson:

On Thursday, May 22, 2014, at 2:00 PM, bids were received on the 50th & France District Improvements project, Edina Improvement No. P-23. The project is being delivered in five bid packages, four of which were opened on Thursday, May 22, 2014. The final bid package will open on Thursday, June 5, 2014. The Project Management Team determined the city would likely benefit by the project being delivered in separate bid packages, because that approach, given a low-bid selection process, tends to select more experienced contractors for the specialty work.

Bids were received from seven (7) contractors as follows:

Bid Package #1 – Wayfinding System

Contractor	Base Bid Amount
Blackstone Contractors, LLC	$447,688.00
Engineer's Opinion of Probable Cost	*$325,000.00*

All bids were submitted with proper guarantees in the amount of five percent (5%) of the total bid as required by the Project Manual. All bids acknowledged the two (2) addenda that were prepared for the Bid Package #1 project. The low Base Bid is approximately 37 percent (37%) more than the Engineer's Opinion of Probable Cost. No errors were found the in the preparations of their bids. A copy of the bid tabulation for the project is enclosed for your information.

Blackstone Contractors, LLC was the low bidder with a bid in the amount of $447,688.00.

Bid Package #2 – Parking Structure Restoration

Contractor	Base Bid Amount
Restoration Systems, Inc.	$863,000.00
RAM Construction Services of Minnesota, LLC	$874,874.00
Merit Construction Services, Inc.	$893,176.00

LS Black Constructors, Inc.	$2,277,623.51
Engineer's Opinion of Probable Cost	*$1,100,000.00*

All bids were submitted with proper guarantees in the amount of five percent (5%) of the total bid as required by the Project Manual. All bids acknowledged the one (1) addendum that was prepared for the Bid Package #2 project. The low Base Bid is approximately 22 percent (22%) less than the Engineer's Opinion of Probable Cost. An error was found in the bid of Merit Construction, Inc; however, the error did not affect the low bidder. A copy of the bid tabulation for the project is enclosed for your information.

Restoration Systems, Inc. was the low bidder with a bid in the amount of $863,000.00.

Bid Package #4 – Streetscape Improvements

Contractor	Base Bid Amount
Blackstone Contractors, LLC	$1,089,045.00
Engineer's Opinion of Probable Cost	*$910,000.00*

All bids were submitted with proper guarantees in the amount of five percent (5%) of the total bid as required by the Project Manual. All bids acknowledged the two (2) addenda that were prepared for the Bid Package #4 project. The low Base Bid is approximately 19 percent (19%) more than the Engineer's Opinion of Probable Cost. No errors were found in the preparation of bids. A copy of the bid tabulation for the project is enclosed for your information.

Blackstone Contractors, LLC was the low bidder with a bid in the amount of $1,089,045.00.

Bid Package #5 – Parking Structure Painting

Contractor	Base Bid Amount
Superior Painting and Decorating	$204,397.00
Sunrise Painting & Wallcovering, Inc.	$290,195.00
Engineer's Opinion of Probable Cost	*$750,000.00*

All bids were submitted with proper guarantees in the amount of five percent (5%) of the total bid as required by the Project Manual. All bids acknowledged the one (1) addendum that was prepared for the Bid Package #5 project. The low Base Bid is approximately 73 percent (73%) less than the Engineer's Opinion of Probable Cost. No errors were found in the preparation of bids. A copy of the bid tabulation for the project is enclosed for your information.

Superior Painting and Decorating was the low bidder with a bid in the amount of $204,397.00.

DRAFT

Recommendation of Award

In our review of the contractor's bids, references, subcontractors and additional information supplied after the bids were opened, we found the following information to consider in awarding the contract to the low bidders:

- In aggregate, the bids total $2,604,130 compared to an engineer's opinion of probable cost of $3,085,000. See below for a table summarizing the information for the four bid packages.

	Low Bid	Opinion	Over/(Under)	
Bid Package 1	$447,688	$325,000	$122,688	38%
Bid Package 2	$863,000	$1,100,000	($237,000)	(22%)
Bid Package 4	$1,089,045	$910,000	$179,045	16%
Bid Package 5	$204,397	$750,000	($545,603)	(73%)
	$2,604,130	$3,085,000	($480,870)	(16%)

- Blackstone Contractors, LLC. was the only bidder on Bid Package 1 and Bid Package 4. There has been discussion about the possibility of rebidding one or both of these bid packages with the goal of getting multiple bids to validate the bid price. All of the bid packages were advertised the same way, consistent with Edina standard practice and typical of other municipalities in the Twin Cities market. The result for Bid Package 1 and Bid Package 4 is likely evidence of a bidding climate in which contractors can be more selective what they choose to bid on, combined with the high expectations of a construction project in a premier neighborhood shopping and dining district. Rebidding a project is no guarantee that more bids or better bid prices will be received.

- We have reviewed references for Blackstone Contractors, LLC. all of which were positive, and believe they are qualified and capable of completing the work included as a part of this project. We have also reviewed the list of subcontractors that Blackstone Contractors, LLC. proposes to use, and find they are experienced doing work similar to what is proposed in Bid Package 1 and Bid Package 4.

- The bids for Bid Package #5 were significantly below the engineer's opinion of probable cost. We have talked with Superior Painting and Decorating and believe their bid is responsive and responsible. Superior Painting and Decorating performed the limited painting work on the 50th & France parking ramps that was completed in 2013. Superior Painting and Decorating is familiar with the ramps and is aware that there is significant night work.

DRAFT

In conclusion, the low bidders for each bid package are responsive and responsible and we believe they are capable and qualified to complete the work for the respective bid packages.

Please contact me at (651) 643-0451 or dan.coyle@kimley-horn.com if you have any questions or need any additional information.

Sincerely,

Daniel J. Coyle, P.E.
Project Manager

Enclosure: Bid Tabulation

DRAFT

Kimley»Horn

May 27, 2014

Mr. Brian Olson, P.E.
Public Works Director
City of Edina
7450 Metro Boulevard
Edina, MN 55439

Re: City of Edina 50th & France 2014 Construction Phase Services
50th & France District - Supplemental Agreement to Master Agreement for

Kimley-Horn is pleased to submit this letter describing our project understanding, scope of services, schedule, and fees for 2014 construction phase services for the following five bid packages for improving parking and wayfinding in the 50th & France district:

- Bid Package #1: Wayfinding System
- Bid Package #2: Parking Structure Restoration
- Bid Package #3: Parking Structure Lighting Replacement
- Bid Package #4: Streetscape Improvements
- Bid Package #5: Parking Structure Painting

The work will be performed in accordance with Kimley-Horn's Master Services Agreement with the City.

Project Understanding

The City of Edina is moving forward with construction of the improvements recommended in Kimley-Horn's *50th & France Parking and Wayfinding Improvements Feasibility Study and Report* dated January 21, 2014, approved by the Edina City Council on March 4, 2014, and detailed in the five construction bid packages identified above. Public involvement has been critical to the success of the design project. During construction Kimley-Horn understands that communication with business owners will be critical to identifying and mitigating potential construction impacts to businesses. The project has been designed in phases to address business owner concerns and annual special events in the district.

Scope of Services

Kimley-Horn and Associates, Inc. proposes to provide construction phase services under this authorization, as follows:

Task 1 – Construction Phase Services

Services consist of the following tasks:

A. Construction Administration

1. Upon award of the contracts by the City, we will prepare a Notice of Award, an Agreement and a Notice to Proceed for each bid package. We will distribute copies of these documents to the appropriate contractor and coordinate their execution with the City. We will also work with the City to obtain the necessary Insurance Certificates.
2. Preparation of the contracts between the contractor and the City for execution by both parties.
3. Construction communications strategy meeting with city communications staff and 50th & France Association. Monthly check-ins to evaluate and adjust construction communications.
4. Prepare a public notice describing the construction project and deliver door-to-door to introduce Kimley-Horn construction observer / business liaison to business owners. Public notice will include an outline of the construction phasing and Kimley-Horn construction observer / business liaison contact information, including mobile phone number.
5. Coordinate and attend a preconstruction meeting for the project prior to the start of construction. A joint meeting will be held for all contractors. Prepare and distribute meeting minutes.
6. Coordinate and attend weekly joint construction meetings. Construction meetings will allow business owners and property owners to attend first 15 minutes of meeting to get updates on construction, ask questions and present concerns to be addressed by the construction team.
7. Preparation of weekly construction updates for business owners and property owners in the area for distribution by city and 50th & France Association staff.
8. Provide a full time on-site construction representative for the duration of the project construction (June 16, 2014 to October 31, 2014). Contractors are expected to work weekends, days and nights. Assumes average 50 hours per week construction observation for 20 weeks. Construction representative will perform construction observation and be the primary point of contact for business owners for day-to-day construction coordination.
9. Provide a part-time business liaison for the duration of the project construction (June 16, 2014 to October 31, 2014). Assumes 10 hours per week meeting with business owners in the district to identify upcoming construction issues and opportunities to be addressed by the project,

beyond the day-to-day construction coordination. Develop content for city and district communications staff. Coordinate with City of Minneapolis staff and elected officials. Business liaison will be the back-up point of contact for business owners for day-to-day construction coordination if the construction representative is unavailable.

10. Respond to contractor inquiries and requests for information.
11. Review contractor submittals and shop drawings.
12. Prepare contractor payment vouchers and submit the vouchers to the City for processing/approval.
13. Respond to business owner inquiries and keep business owners informed about upcoming construction activities that may impact their businesses. Work with business owners and contractors to keep customer, employee and delivery access to businesses open during construction.
14. Monthly coordination with city communications staff and 50th & France Association to discuss effectiveness of construction communications strategy.
15. Material testing of concrete for air content, slump, temperature and compressive strength, compaction testing of new alley subgrade material
16. Structural special inspection as required by 2007 Minnesota Building Code for wayfinding signage concrete foundations and building anchorages.
17. Upon the completion of the improvements, prepare final payment documents for the project.
18. Prepare punch list and record construction drawings.

Owner to Provide: *Publication of communications materials*

Deliverables: *Preconstruction meeting agenda and minutes, weekly meeting agendas, weekly construction updates for business owners, pay vouchers, test results and special inspection reports, punch list, record drawings*

Additional Services

Any services not specifically provided for in the above scope, as well as any changes in the scope the City requests, will be considered additional services and will be performed at our current hourly rates. Additional services we can provide include, but are not limited to, the following:

- Construction surveying
- Construction phase services for Bid Package #6 – South Ramp Elevator and Stair Core

Schedule

The following is a summary of the anticipated schedule for tasks within this proposal:

Notice to Proceed	June 3, 2014
Contractor Begin 2014 Construction	June 16, 2014
Contractor End 2014 Construction	October 31, 2014

Fee and Billing

Kimley-Horn and Associates, Inc. will provide the services described in the scope of services on a labor fee plus expense basis not to exceed three hundred seventy five thousand dollars ($375,000). Labor fee will be billed according to the attached hourly rate schedule. An amount will be added to each invoice to cover certain other expenses such as in-house duplicating, local mileage, postage, and delivery charges. The total estimated fees and expenses for the work tasks included in this Agreement are:

Task 1 - Construction Phase Services	$ 358,000
Reimbursable Expenses	$ 17,000
TOTAL	**$ 375,000**

Fees will be invoiced monthly based on the actual amount of service performed and expenses incurred. Payment will be due within 35 days of the date of the invoice.

In addition to the matters set forth herein, our Agreement shall include and be subject to, and only to, the terms and conditions of the Master Agreement for Professional Engineering Service between the City and Kimley-Horn and Associates, Inc. dated August 16, 2013, except that sections 2.1, 2.5 and 2.6 are deleted.

If you concur in all the foregoing and wish to direct us to proceed with the services, please have authorized persons execute both copies of this Agreement in the spaces provided below, retain one copy, and return the other to us. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter.

We appreciate this opportunity to continue our services to the City of Edina. Please contact me at 651-643-0451 if you have any questions.

Sincerely,

Daniel J. Coyle, P.E.
Project Manager/Associate

Jerry D. Pertzsch, P.E.
Associate

Attachement : Hourly Rate Schedule

Copy: File

Agreed to this ____ day of _____, 2014.

CITY OF EDINA

BY:_____

James Hovland, Mayor

BY:_____

Scott Neal, City Manager

City of Edina
Parking and Wayfinding 2014 Construction Phase Services
50th & France District

Kimley-Horn and Associates, Inc.
Schedule of Rates

Effective thru December 31, 2014

Classification	Hourly Rate
Administrative Assistant	$ 85.00
CADD Technician	$ 95.00
Clerical	$ 70.00
Client Manager	$190.00
Drafter	$ 65.00
Field Technician I	$105.00
Field Technician II	$115.00
Graduate Eng./Planner I	$105.00
Graduate Eng./Planner II	$115.00
Principal	$195.00
Project Engineer/Planner	$125.00
Project Manager	$150.00
Senior Administrative Assistant	$100.00
Senior CADD Technician	$105.00
Senior Designer	$125.00
Senior Field Technician	$125.00
Senior Project Manager	$170.00

Reimbursable expenses (copy/printing charges, plotting, mileage, delivery charges, faxes, etc.) will be charged as an office expense at 6.0% of the labor fee.

Additional rates may be negotiated at a later date for classifications or services not included above.