City Council Item

March 23, 2026

Item	Resolution 2026-XX: Accept the Bids and Award the Contract for the 2026 Great Plains Blvd/Lake Drive East Rehabilitation Project No. 26-02; and Resolution 2026-XX: Adopt Final Assessment Roll for the 2026 Great Plains Blvd/Lake Drive East Rehabilitation Project No. 26-02.	
File No.	ENG Project No. 26-02 CIP No. ST-012	**Item No:** G.1
Agenda Section	**PUBLIC HEARINGS**	
Prepared By	George Bender, Assistant City Engineer	
Reviewed By	Charlie Howley	

SUGGESTED ACTION

"The Chanhassen City Council adopts a resolution accepting the bids and awarding the contract, and also adopts a resolution adopting the final assessment roll for the 2026 Great Plains Blvd/Lake Drive East Rehabilitation Project No 26-02."

Motion Type	Simple Majority Vote of members present
Strategic Priority	Asset Management

SUMMARY

Conduct Public (Assessment) Hearing for the 2026 Great Plain Blvd/Lake Dr E Rehabilitation Project No. 26-02. Adopt the final assessment roll for the project. Accept the bids and award the project to a contractor.

BACKGROUND

As part of the overall Pavement Management Program (PMP), the city annually plans to rehabilitate a section or sections of public streets across the city. The Five-year Capital Improvement Plan (CIP)

identifies the near-term streets to be rehabilitated. The 2026 project includes approximately 0.5 miles of city state-aid and local streets for rehabilitation via a combination of mill & overlay and full-depth reclamation.

Key dates and items relative to this project:

- In November 2024, the city created a project page and email subscription list.
- On May 16, 2025, the Engineering Department released a Request for Proposals (RFP) for design and construction services for the 26-02 project.
- On June 20, 2025, the Engineering Department released a Request for Proposals (RFP) for geotechnical services for the 26-02 project.
- On June 23, 2025, the City Council approved a Professional Services Agreement with I&S Group, Inc. (ISG) for design and construction services for the project.
- On July 14, 2025, the City Council approved a Professional Services Agreement with Braun Intertec for geotechnical exploration and engineering services in association with the 26-02 design contract.
- On October 27, 2025, the City Council called for a Public Hearing to be held regarding the proposed improvements on November 10, 2025.
- On October 30, 2025, the Engineering Department hosted a public Open House meeting at City Hall to discuss the project and respond to questions with the impacted properties. Approximately 27 residents attended and 2 comment cards were received. An additional 14 responses were received in follow-up to the survey that was distributed to the area.
- On November 10, 2025, the City Council accepted the feasibility study, conducted a Public Hearing regarding the improvements, and authorized the preparation of Plans and Specifications.
- On January 26, 2026, the City Council accepted the plans and specifications and authorized the advertisement for bids for the project.
- On February 20, 2026, ISG and the Engineering Department hosted a bid opening.
- On March 10, 2026, the Engineering Department hosted a second public open house for the project in the training room at City Hall. 11 residents attended and no comment cards were received. 2 other resident inquiries were received and followed-up upon after the open house. Lastly, additional follow-up occurred with both the American Legion and Discovery United Methodist Church to answer additional questions and follow-up with their letter to the City received February 23, 2026.

Project information is available on the city's website at:
https://www.chanhassenmn.gov/government/projects/street-projects/great-plains-lake-drive-east-rehabilitation-project

To subscribe to the city's distribution list in order to receive routine project updates via email - interested residents and property owners should visit the following link to sign up: https://www.chanhassenmn.gov/i-want-to/subscribe. (There are 561 subscribers as of March 17, 2026)

DISCUSSION

Staff utilized the City's Pavement Management Program and site investigations to determine the project limits as shown in the attached 5-year Capital Improvement Plan (CIP) map representing the years 2026 through 2030.

This section of Lake Dr E was originally constructed between 1983 and 1987. It was last seal-coated in 2012. Portions of the concrete curbing and sidewalk along the Lake Dr E corridor has not held up well and is rated to be in poor condition. A higher percentage of concrete related repairs are warranted in comparison to similar full depth reclamation (FDR) projects the city has recently completed. Great Plains Blvd was originally constructed in 1973, last reconstructed in 1991, and last rehabilitated in 2001. It was seal-coated in 2013.

ISG was provided the city's asset management and geotechnical information relative to this project to factor into the feasibility analysis to incorporate with the subsequent design. Based on the existing maintenance and rating history, on-site street observations, and the feasibility analysis; Lake Dr E is expected to be rehabilitated via FDR but Great Plains can be rehabilitated via mill & overlay (M&O).

A major design element of this project is to evaluate the intersection of Great Plains Blvd and Lake Dr E. This intersection currently functions as two-way stop controlled intersection with the Great Plains legs being uncontrolled. ISG performed an intersection control evaluation and recommended one of two alternatives (four-way stop controlled intersection or mini-roundabout) to improve the intersection from an operational perspective. The four-way stop controlled intersection will meet expectations from a level-of-service perspective and is considerable less expensive (estimated to be $380,000). Hence, ISG moved forward with the four-way stop controlled intersection for the design with concurrence from the Engineering Department.

As with any street project area which includes rehabilitation there will be spot repair of curb and gutter. This project in particular will include long segments of curb replacement along Lake Dr E. Sidewalk scoping includes diamond grinding misaligned joints that have heaved primarily due to freeze-thaw and replacement of significantly damaged sidewalk panels. Existing pedestrian ramps impacted by the project will be brought into ADA compliance in accordance with the city's ADA transition plan. Pedestrian crosswalk areas were checked for conformance with the City's Crosswalk Policy.

The addition of missing sidewalk segments is also included in the design. One segment is along the east side of Lake Dr E between Grandview Ave and the intersection of Great Plains/Lake Dr E. The other segment is on the west side of Great Plains between the intersection of Great Plains/Lake Dr E and TH 5. An additional segment of sidewalk is also being added to address a safety concern raised by residents from the Marsh Dr and Hidden Ln neighborhood south of Lake Dr E.

City public works staff performed a condition assessment on the existing utilities within the project areas. There weren't any significant improvements scoped in relation to the sanitary sewer and watermain networks. The sanitary and storm sewer pipe networks were televised, and the existing structures were evaluated to assess the need for improvements.

The approved plans and specifications were bid on February 20, 2026. Four responsive bids were received from contractors. The base bids ranged from $874,482.76 to $978,774.50. The Engineer's Estimate for the base bid was $1,079,490.50. There weren't any alternates bid with this project. The low contractor for the base bid was Northwest Asphalt. A total of $342.49 separated the low bid from the

second low bid which equates to 0.04% of the bid amount. Hence, this is deemed to be a very good bid. Northwest Asphalt has successfully performed numerous projects for Chanhassen in the recent past. ISG and the Engineering Department recommend awarding this contract to Northwest Asphalt.

SCHEDULE

The remaining schedule for the project is as follows:

Task	Date
Conduct Public (Assessment) Hearing and Award Project	March 23, 2026
Begin Construction	July 2026
Substantial Completion	October 2026
Final Completion	June 2027

The Public Hearing notice to the paper as required by the MS 429 process was sent on February 25, 2026 for publication in the March 5, 2026 edition of the newspaper. Assessment notices were mailed on March 3, 2026, to all of the assessable properties per the required MS 429 process. The final assessment amounts contained within the notices were calculated based on a trip-based calculation relative to the use and/or capacity for use of each commercial property within and utilizing the project corridors as detailed within the feasibility study. This information is based on the 12th Edition of the ITE Trip Generation Manual. The final assessment roll along with the assessment map has been attached to this staff report. There are not any residential properties being assessed with the project. Hence, the flat rate portion of the assessment policy is not applicable to this project.

All of the final assessment amounts are below the preliminary assessment amounts which were forecasted with the feasibility study and mailed to the affected properties.

BUDGET

This project is included in the 5-year CIP and the budget for 2026. Funding for the project is proposed to come from the Pavement Management Program (PMP) fund, which includes special assessments to benefiting properties as part of the revenue source in addition to the use of State-Aid funding. The special assessments will be managed per the City's Assessment Policy. Utility Enterprise funds will be utilized to cover the rehabilitation needs specific to each utility.

The overall 26-02 project budget approved with the 2026-30 Capital Improvement Plan is $1,400,000.

The table below indicates the estimated cost in comparison to the project budget:

Budgetary Fund	Project Budget	Project Cost (with Engineering)
PMP (Street)	$1,380,000	$1,165,150
Surface Water & Storm Sewer	$10,000	$24,400
Sanitary Sewer	$5,000	$1,650
Watermain	$5,000	$4,980
Total	**$1,400,000**	**$1,196,180**

Special assessments are currently estimated to fund approximately $474,000 of the project budget. State-aid funding will be used on this project to fund the remainder of the project street costs associated with road segments identified on the City's municipal state-aid network - which is the majority of this

project.

RECOMMENDATION

Staff recommends the City Council adopt the resolution accepting the bids and approving a construction contract to Northwest Asphalt, Inc. for the bid amount. Staff also recommends the City Council adopt the resolution adopting the final assessment roll for the 2026 Great Plains Blvd/Lake Dr E Rehabilitation Project No. 26-02.

ATTACHMENTS

Resolution 2026-XX Accept Bids and Award Contract 26-02
Resolution 2026-XX Adopt Assessment Roll 26-02
2026-02-20 CP 26-02 Bidding Results
26-02 Final Assessment Roll
26-02 Assessment Map
City Assessment Policy
Assessment FAQ
PMP FAQ
Streets 5-Year CIP 2026-2030
26-02 Budget