

City Council Item

April 22, 2024



Item	Resolution 2024-XX: Accept the Bids and Award the Contract for the 2024 City Pavement Rehabilitation Project; and Resolution 2024-XX: Adopt Final Assessment Roll for the 2024 City Pavement Rehabilitation Project; and Resolution 2024-XX: Approving the establishment and execution of the Volunteer Rain Garden Program associated with the 2024 City Pavement Rehabilitation Project.	
File No.	ENG Project No. 24-01 CIP No. ST-012	Item No: G.2
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 assessment roll for the 2024 City Pavement Rehabilitation Project No 24-01, and also adopts a resolution approving the establishment and execution of the Volunteer Rain Garden Program associated with the 2024 City Pavement Rehabilitation Project."

Motion Type	4/5 Vote
Strategic Priority	Asset Management

SUMMARY

Conduct Public (Assessment) Hearing for the 2024 City Pavement Rehabilitation Project No. 24-01. Adopt the final assessment roll for the project. Accept the bids and award the project to a contractor. Create volunteer rain garden program associated with the 2024 City Rehabilitating Project to meet permit obligations and enhance local water quality.

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.

Key dates and items relative to this project:

- On September 29, 2023, the Engineering Department released a Request for Proposals (RFP) for design and construction services for the 24-01 project.
- On October 19, 2023, the Engineering Department released a Request for Proposals (RFP) for geotechnical services for the 24-01 project.
- On October 30, 2023, the City Council approved a Professional Services Agreement with Kimley-Horn, Inc. for design and construction services for the project.
- On November 13, 2023, the City Council approved a Professional Services Agreement with Braun Intertec for geotechnical exploration and engineering services in association with the 24-01 design contract.
- On December 11, 2023, the City Council called for a Public Hearing regarding the improvements to be held on January 8, 2024.
- On January 4, 2024, the Engineering Department hosted an Open House meeting with the impacted properties to discuss the project and respond to questions.
- On January 8, 2024, the City Council accepted the feasibility study, conducted a public improvement hearing, and authorized the preparation of plans and specifications.
- On February 26, 2024, the City Council approved the plans and specifications and authorized the advertisement for bids for the project.
- On March 21, 2024, the Engineering Department hosted a bid opening.
- On April 10, 2024, the Engineering Department hosted a public open house at the City's Public Works Facility.
- On April 15, 2024, the City Council called for a Public Hearing regarding the assessments to be held on April 22, 2024.

Project information is available on the city's website at:

<https://www.chanhassenmn.gov/government/projects/street-projects/2024-city-pavement-rehabilitation-project>

There are currently 3,393 email addresses subscribed to receive project updates. To subscribe, residents and property owners should visit:

<https://www.chanhassenmn.gov/i-want-to/subscribe>

Water Resources

Surface water quality is an important issue for the city and rain gardens are a cost-effective solution that can be implemented with street rehabilitation projects. This newly created Volunteer Rain Garden Program will allow for residents to receive a financial incentive to have a rain garden installed on their property. In this partnership the cost of the rain garden installation and major repairs would be the responsibility of the city while routine maintenance would be the responsibility of the resident. The program requires that an Operations and Maintenance agreement be recorded against the property and that the rain garden area be encompassed in a drainage and utility easement.

The reconstruction of the public roadways in the Chan View Area associated with the 24-01 Pavement Rehabilitation project triggers stormwater management regulations from the city and Watershed District. To meet the rules the city must implement stormwater best management practices (BMPs) with the project such as infiltration basins, wet ponds, and rain gardens. The construction of BMPs in this

specific part of Chanhassen is challenging because of the limited right of way and the minimal amount of existing BMPs in the area. One cost effective way to meet stormwater regulations and improve local water quality is through the construction of local rain gardens with the project.

The primary goal of this program is to partner with local homeowners to establish rain gardens within the neighborhood, contributing to the enhancement of local water quality. Rain gardens play a crucial role in improving water quality by facilitating stormwater infiltration, filtration, and detention.

As part of the 24-01 project design the consultant engineers reviewed the area and looked into potential rain garden locations based on the site grading, proximity to utilities, and drainage area. The city has started outreach to the property owners where rain gardens are viable to outline the potential program and have received positive feedback.

Understanding that a rain garden may not be suitable for all residents and requires maintenance, the city is offering an incentive for program participation. Specifically, the city will pay \$2,500 for property owners who choose to join the program. Additionally, residents involved in the program will benefit from a 50% reduction in Surface Water Fees, approximately \$60/year.

How the Program Works:

For participating residents, the construction of the rain garden will be integrated into the Pavement Rehabilitation Project at no cost to the property owner. An engineer will design the rain garden in the field to ensure it does not adversely affect the property. In return, the property owner is responsible for routine maintenance, including:

Vegetation management: mulching, weeding, planting, trimming, etc., to sustain rain garden-friendly vegetation.

Periodic removal of sediment and debris buildup within the rain garden.

Submission of annual inspection forms to the city.

The City of Chanhassen will handle more substantial rain garden maintenance tasks, such as:

Drain tile cleanout and replacement.

Soil filter media remediation

Structural work associated with the curb cut and connections to the public storm sewer.

Additionally, property owners will need to sign an Operations and Maintenance Agreement with the city, ensuring the perpetual functionality of the rain garden. This agreement will be recorded against the property. It's important to note that the rain garden must remain on the property until a future street reconstruction project in the neighborhood is completed, which may involve the reconstruction of stormwater facilities. The rain garden area will also be required to be within drainage and utility easement. The city will create the paperwork associated with the rain garden operations and maintenance agreement and easement dedication.

DISCUSSION

The plans and specifications were bid on March 21, 2024. Seven responsive bids were received from contractors. The base bids ranged from \$6,150,835.65 to \$6,831,780.90. The Engineer's Estimate for the base bid was \$6,515,342.50.

Three alternates were also bid as part of the project.

- Alternate No. 1 is a sidewalk extension along Great Plains Blvd along Chapel Hill. Staff is in support of this alternate as it will fill a gap in sidewalk connectivity, especially since it is in front of a school.
- Alternate No. 2 is a sidewalk extension along Chan View. Staff is in support of this alternate as it can be viewed as filling a gap in our overall pedestrian transportation network, primarily with it being adjacent to downtown, two schools, the post office and the Civic Campus area. Staff is aware that the impacted property owners may have differing opinions as to whether the new sidewalk is needed. This alternate adds approximately \$200 to each assessment.
- Alternate No. 3 is a storm pond clean-out in the Stone Creek neighborhood. Staff is in support of this alternate as the maintenance work is needed, and the project allows for a cost benefit to do the work now rather than a stand alone project or by the city self performing the work. The cost is within the overall fund budget for the project.

The bid results including all three alternates ranged from \$6,403,139.49 to \$7,088,264.81. The low contractor for the base bid and the total bid amount including all three alternates is the same. Park Construction is the low bidder. The number of bids and the spread of the amounts is indicative of a competitive market. Staff and the consultant are in agreement that the bids received are a good value for the current market. Park Construction has worked in Chanhasen previously on the Kerber Blvd rehabilitation project where their performance was satisfactory. Staff has been working with Park on phasing the Chan View area and construction sequencing and they have been professional. Two members of Park Construction's staff attended the open house on April 10, 2024.

These total bid amounts include the base bid plus bid alternates 1,2, and 3. The base bid amount was defined in the contract as the basis for awarding the bid.

The bids received from the contractors are as follows:

Contractor	Base Bid Amount	Alternate No. 1 Amount	Alternate No. 2 Amount	Alternate No. 3 Amount	Total Bid Amount
Park Construction	\$6,151,835.65	\$60,770.22	\$94,244.62	\$97,289.00	\$6,404,139.49
GMH Asphalt	\$6,313,802.68	\$71,108.26	\$90,580.71	\$69,368.06	\$6,544,859.71
S.M. Hentges & Sons	\$6,392,000.00	\$68,000.00	\$103,000.00	\$70,000.00	\$6,633,000.00
Valley Paving	\$6,426,559.30	\$58,905.78	\$136,559.48	\$124,159.30	\$6,746,183.86
Geislinger & Sons	\$6,437,368.00	\$52,019.50	\$84,780.00	\$94,000.00	\$6,668,167.50
Northwest Asphalt	\$6,761,490.04	\$61,919.60	\$131,423.50	\$133,431.67	\$7,088,264.81
Bituminous Roadways	\$6,831,780.90	\$66,126.00	\$102,925.00	\$75,934.00	\$7,076,765.90
*Engineer's Estimate	\$6,515,342.50	\$63,597.50	\$156,365.50	\$39,060.00	\$6,774,365.50

* The Engineer's Estimate is included in the table above for reference only.

The special assessment amounts for the single family residential properties in each neighborhood area associated with the project were calculated via guidance of the City's Assessment Policy, and are as follows:

Neighborhood Project Area	Preliminary Assessment Amount	Final Assessment Amount
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Neighborhood Project Area	Preliminary Assessment Amount	Final Assessment Amount
Chan View area	\$4,615.00	\$6,275.00
Del Rio/Santa Fe area	\$2,984.00	\$2,664.00
Stone Creek area	\$5,136.00	\$4,545.00

The special assessment amounts for the mixed-use properties in the Chan View area are as follows:

Property	Preliminary Assessment Amount	Final Assessment Amount
Private School (Chapel Hill Academy)	\$23,073.00	\$187,073.00
60-unit multi-family (Heritage Park)	\$207,653.00	\$179,933.00
12-unit multi-family complexes	\$41,531.00	\$35,987.00
11-unit multi-family complex	\$36,916.00	\$32,988.00
Laundromat (JZTL Coin Laundry)	\$27,687.00	\$17,993.00
Commercial Strip Mall (Colonial Square)	\$332,245.00	\$112,230.00

The assessment amount for Colonial Square was then further reduced by 50% of the calculated amount due to having commercial driveway accesses on to Great Plains and W. 78th Street; meaning the same property will receive a 50% assessment reduction when W. 78th St is rehabilitated in the future.

Staff will give an overview of the assessment methodology at the Public Hearing.

Schedule

The remaining schedule for the project is as follows:

Task	Date
Begin Construction	(Tentatively) May 17, 2024
Substantial Completion	November 2024
Final Completion	June 2025

Open House Summary

City staff and the consultant hosted a second open house meeting relative to the project on April 10, 2024, at the Public Works facility. The comment cards and sign-in summary have been attached. A total of 32 residents attended the meeting.

The following is a bullet point summary of the overall themes heard by Staff at the meeting in addition to feedback received through phone calls and emails:

- The proposed additional 'No Parking' areas along Kiowa, Iroquois, and Huron were understood from a design perspective and will be acceptable to the neighboring properties. The design should consider adjusting the side be designated as no parking to be the same side the hydrants are located. Some property owners would prefer if the no parking area was on the other side but they were appreciative this change was being proposed from the perspective of emergency services and Fire Code compliance.

- The proposed sidewalk additions were understood and generally accepted from an overall conductivity perspective. The adjustment of the location from the south side of the street to the north side of the street along Chan View was more appreciated than unappreciated but opinions are mixed. One of the properties is strongly against the sidewalk.
- Questions concerning the revised assessment amounts.
- Construction sequencing and preliminary scheduling. Having the contractor's staff at the meeting was a significant benefit to respond to these inquiries.
- Property specific inquiries and summer event coordination.
- I/I program inquiries.
- Drainage question.
- Volunteer raingarden program Q&A.

BUDGET

The overall project budget is shown in the table below in comparison to the bid costs:

Fund	Budget	Bid Amount by Fund	Bid Amount by Fund with Alternates 1,2,3
PMP (Street)	\$4,835,000	\$3,456,706.15	\$3,611,720.99
Surface Water (Storm Sewer)	\$1,780,000	\$1,118,822.50	\$1,216,111.50
Sanitary Sewer	\$670,000	\$764,887.80	\$764,887.80
Water	\$855,000	\$811,419.20	\$811,419.20
Total	\$8,140,000	\$6,151,835.65	\$6,404,139.49

The PMP, Surface Water, and Water funds are underbudget. The Sanitary Sewer fund is overbudget by \$94,887.80. Overall the project is underbudget by \$1,225,925.51.

Private-side I/I repairs are being coordinated by a partnership between the city and the property owners, and any work as a result is being funded by a separate grant the city applied for and received through the Metropolitan Council. The value of the grant the city received is \$130,000.00 to be utilized in 2024. The city will be replacing the public-side of the sanitary sewer laterals in the reconstruction area as part of the project. These costs are included in the bid.

The rain garden program will be financed with the project, specifically the surface water fund. The project bids include the construction of 4 volunteer rain gardens.

RECOMMENDATION

Staff recommends the City Council adopt the resolution accepting the bids and approving a contract to Park Construction, including Alternates No. 1, 2, and 3.

Staff recommends the City Council adopt the resolution adopting the final assessment rolls for the 2024 City Pavement Rehabilitation Project No. 24-01.

Staff recommends the City Council adopt a resolution to establish and execute the Volunteer Rain Garden Program associated with the 2024 City Pavement Rehabilitation Project.

ATTACHMENTS

[Resolution - Accept Bids and Award Contract -24-01](#)

[Resolution Adopt Assessment Roll 24-01](#)

[Resolution Approval of Rain Garden Program](#)

[24-01-Assessment Roll Chan View Final](#)

[24-01- Assessment Roll Del Rio, Santa Fe - Final](#)

[24-01-Assessment Roll Stone Creek Final](#)

[Assessment Policy](#)

[ST-012 -- 24-01 CIP Sheet](#)

[Open House Comment Cards and Sign-in 4.10.24](#)

[Assessment FAQ](#)

[PMP FAQ](#)