



REQUEST FOR ACTION

**Contract with A-1 Excavating LLC for Reconstruction
of Center St E - Project No. J7348**

MEETING DATE:

May 4, 2026

ORIGINATING DEPT:

Public Works

AGENDA SECTION:

Consent Agenda

PRESENTER:

Amy Kreofsky

Action Requested:

Adopting a Resolution approving a contract with A-1 Excavating LLC for Reconstruction of Center St E - Project No. J7348.

Report Narrative:

The Center Street East Reconstruction Project extends from the Zumbro River Bridge to 11th Ave E. The existing pavement and public utilities along this corridor are nearing the end of their service life. This project will replace aging infrastructure through full reconstruction of the two-lane urban concrete roadway, sanitary sewer, storm sewer, and water main. This project will also address maintenance needs to the bridge crossing the Zumbro River Bridge.

The project was advertised in the Post Bulletin, and the following bids were received on April 21, 2026:

A-1 Excavating with a bid of \$5,211,122 (17% below Engineer's Estimate),
Pember Companies, LLC with a bid of \$5,596,454.15 (11% below Engineer's Estimate),
Heslton Construction with a bid of \$6,271,281.25 (1% below Engineer's Estimate), and
Elcor Construction with a bid of \$8,897,623 (41% above Engineer's Estimate).

The Engineer's Estimate for this project was \$6,315,233.50.

This project is scheduled to begin on June 1, 2026 and be substantially complete by November 20, 2026.

Priorities & Foundational Principles:

Public Safety

Fiscal Responsibility and Sustainability

Policy Considerations & DEI Impact:

The project aligns with the recently completed Active Transportation Plan. Active transportation includes walking and rolling, biking, other forms of non-motorized transportation, and micro-mobility as part of the broader vision of a well-planned transportation network supporting a variety of walkable, mixed-use, and mixed-income development patterns that improve economic opportunity and the quality of life for residents and visitors. This project will improve our bicycle network connectivity, equity, and safety, which are guiding principles of the City's Active Transportation Plan. This project also supports the City's Complete Streets Policy to consider all modes of transportation in our community when making infrastructure improvements.

The Council adopted an updated Assessment Policy in 2022, and this project is being prepared in accordance with that policy. Eligible costs to be assessed include all work to reconstruct the street, excluding the utility replacements. A portion (25%) of the street reconstruction costs is shared proportionately amongst the neighboring properties (based on estimated market value), and the remaining street items (75%) are funded with other City sources. Water services that are being replaced will be assessed to the property owner at the rate established in the City Fee Schedule.

Prior Legislative Actions & Community Engagement:

February 27, 2013: Council Meeting - ADA Transition Plan adopted November 2, 2022: Council Meeting - Active Transportation Plan adopted
April 8, 2024: Council Meeting - Contract with Short Elliot Hendrickson Inc. for Professional Engineering Design Services for Reconstruction of Center St E - Project No. J7348
September 9, 2024: PBAC Meeting - Presentation of Concepts
September 11, 2024: Public Open House 1
November 18, 2024: Council Meeting - Layout Approval and Support for Utilization of Grant Funds from the State Active Transportation Infrastructure Program for Center St East from Zumbro River Bridge to 11th Ave NE/SE - Project No. J7348
February 12, 2025: Public Open House 2 July 7, 2025: Council Meeting - Contract Amendment with Short Elliot Hendrickson Inc. for Professional Engineering Design Services for Reconstruction of Center St E - Project No. J7348
September 8, 2025: Council Meeting - Feasibility Report, Ordering of Project Hearing and Assessment Hearing September 15, 2025: Project Hearing and Assessment Hearing Notice were mailed to the affected property owners
October 4, 2025: Project Hearing and Assessment Hearing posted in Post Bulletin
October 18, 2025: Project Hearing and Assessment Hearing posted in Post Bulletin
November 3, 2025: Council Meeting - Project Hearing and Assessment Hearing
November 17, 2025: Council Meeting - Setting an Assessment Hearing for January 5, 2026
November 24, 2025: Assessment Hearing Notices mailed to the affected property owners
December 8, 2025: Council Meeting - Contract Amendment with Short Elliot Hendrickson Inc. for Professional Engineering Design Services for Reconstruction of Center St E, Accepting the Plans and Specifications, and Authorizing Advertisement for Bid - Project No. J7348
December 13, 2025: Assessment Hearing published in Post Bulletin
January 5, 2026: Assessment Hearing, Levied proposed assessments
March 28, 2026: Bid Advertisement Published in Post Bulletin

Fiscal & Resource Impact:

The total estimated project cost is \$7,445,226.13, including 25% Engineering, Interest, and Contingences (EICs), with an estimated \$574,841.79 being assessed to abutting parcels. The following are the estimated funding sources/amounts for this project, including engineering and contingencies:

Funding Sources Amount
Assessments: \$574,842
Municipal State Aid: \$4,479,450
Water Utility: \$795,957
Sewer Utility: \$663,641
City Reserves (J2200)*: \$17,700
Total Project Funding: \$6,531,590

*For a temporary easement required to construct the project.

Alternative Action(s):

No alternative actions are suggested at this time.

Prepared By:

Amy Kreofsky

Attachments:

[Cover Page](#)

[Resolution - East Center Street Reconstruction - Project No - J7348](#)

[Standard Form of Contract - East Center Street Reconstruction - Project No. J7348](#)

[Project Location Map - Project No. J7348 April 2026](#)