

UTILITIES COMMISSION
May 14, 2014

The special meeting of the Baxter Utilities Commission was called to order at 4:12 p.m. by Acting Chair and Council Liaison Rob Moser.

MEMBERS PRESENT: Commissioners Shawn Crochet, Bruce Klopfleisch, and Council Liaison Rob Moser.

MEMBERS ABSENT: Chairman Rock Yliniemi and Commissioner Dave Franzen.

STAFF PRESENT: Public Works Director/City Engineer Trevor Walter and Administrative Assistant Mary Haugen.

OTHERS PRESENT: None.

2014 CRACKSEALING BID RESULTS

Public Works Director/City Engineer Walter submitted two (2) Bolton & Menk 2014 Seal Coat Project letters into the record. Crow Wing County Highway Department recently had the project approved by the County Board.

May 12, 2014

Re: 2014 Seal Coat Project - Bid Recommendation
City of Baxter
BMI Project No. - B13.107835

Dear Mr. Walter,

At the request of the City of Baxter, this project was incorporated into Crow Wing County Project CP 18-200-51 (2014 Bituminous Seal Coat) which was advertised April 11, 18, and 25. Bids were opened and read publicly at 10:00 a.m. on May 7, 2014 at the Crow Wing County Courthouse.

Bid Summary

A total of two (2) bids were received for this project. A summary of the bid results is as follows:

<u>CONTRACTOR</u>	<u>BASE BID AMOUNT</u>
Astech Corp	\$556,793.06
Fahrner Asphalt Sealers	\$749,148.99
Engineer's Estimate	\$538,614.60

The base cost of the Baxter project (street sealcoat) was estimated at \$322,789.29 and the cost based on the low bid is projected to be \$279,347.08. The city trail maintenance work for Alternate 1 (fog seal) was estimated at \$2,241.00 and the cost based on the low bid is projected to be \$4,482.00; and, trail maintenance work Alternate 2 (sealcoat) was estimated at \$22,783.00 and the cost based on the low bid is

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projected to be \$31,560.00

Both bid submittals conform to the County project plans, specifications, and advertisement. Our review of the bids indicates Astech Corp submitted the lowest responsible base bid. Astech Corp is a reputable contractor that has done this type of work for many years.

Bid Award

The City of Baxter has requested and Crow Wing County has agreed to contract for and oversee the 2014 Baxter Seal Coat Project as a part of their 2014 Bituminous Seal Coat Project - CP18-200-51. As such, Crow Wing County will award a contract for their project including the City of Baxter project. Award of the project by the County, per the project specifications, is to be based on the lowest base bid. **The City of Baxter is to specify the trail maintenance Alternate desired and concur in the award by the County.**

On Tuesday, May 13th, Crow Wing County awarded the bid for this project to Astech Corp contingent on concurrence by the City of Baxter as well as the City specifying the trail maintenance Alternate to be included in the contract.

Based on past conversations with city staff, historic trail usage, and pavement considerations, we recommend the City specify Alternate 2 (sealcoat) for the trail maintenance work. Further, we recommend the City concur in the award of this project by the County to Astech Corp.

Costs/Funding

This project, as provided for by the City earlier this year, was originally budgeted for at a total project cost of \$395,000. Based on the low bid received, the total estimated project costs and funding details are as follows:

Expenditures

Street Sealcoats (construction)	\$279,347.08
Trail Sealcoats (construction)	\$ 31,560.00
Contingencies, Eng'r, and Admin	<u>\$ 55,000.00</u>
Total	\$365,907.08

Budget

Street Sealcoats (construction)	\$325,000.00
Trail Sealcoats (construction)	\$ 15,000.00
Contingencies, Eng'r, and Admin	<u>\$ 55,000.00</u>
Total	\$395,000.00

As can be seen above, total City costs (\$365,907.08) are currently projected to be \$29,092.92 less than available budgeted funding (\$395,000.00) for this project. In looking at specifics, the street sealcoat work is projected to cost about \$45,000 less than the budgeted amount of \$325,000. However, the projected contract cost of \$31,560 for the identified trail maintenance work significantly exceeds the available funds of \$15,000 budgeted for this work. These possibilities were discussed when the project was being developed and funded earlier this year.

Street Sealcoats - since the projected contract cost for sealcoating streets is significantly less than

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budgeted for, the City may:

1. Leave the project as is and save the excess funds for future street maintenance work; or,
2. Add streets in need of sealcoat maintenance to the project.

Past direction indicated a desire to add streets to the 2014 project should this potential present itself. The streets below were identified as possible candidates (map attached) to be added to the project - and based on location, condition and the amount of funds available, the bolded streets are suggested for inclusion in this year's project:

Street	Estimated Cost
Travine Dr	\$17,912
Grand Oaks Dr	\$11,927
Grand Oaks Ct	\$3,847
Paris Rd	\$5,222
Forthun Rd	\$4,948
Elmwood Dr	\$4,907
Douglas Fir Dr	\$18,812
Hinckley Rd	\$12,917
Cypress Dr	\$14,078

Trail Sealcoats - since the projected contract costs exceed available funding for this work, the City may:

1. Budget an additional \$16,560 to accomplish the planned work; or,
2. Eliminate some of the 2014 planned trail maintenance work and reschedule it to the future; or,
3. Specify Alternate 1 (fog seal) at a projected contract cost of \$4,482.

A list of trails that could be eliminated from the project along with estimated costs will be provided tomorrow.

Any work added or removed from the 2014 project will need to be negotiated with the contractor after the construction contract has been executed and is in force.

Construction Timeline

The sealcoat work in the City of Baxter is not to begin prior to July 7th (except stockpiling of materials) and is to be completed no later than August 29th. Once started all sealcoating, fog sealing, and pavement marking is to be completed within 10 working days.

Sincerely,
BOLTON & MENK, INC.

Michael P. Rardin, P.E.
Project Manager

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May 13, 2014

**Re: 2014 Seal Coat Project - Possible Trail Deletions
City of Baxter
BMI Project No. - B13.107835**

Dear Mr. Walter,

This is a follow up to our Bid Award Recommendation letter of May 12, 2014.

Our letter yesterday detailed bid results and actions required to continue this project. In particular, based on the low bid the projected contract costs for the identified trail maintenance work exceed funds budgeted for this work. The budgeted amount available for the trail work is \$15,000 and the projected contract cost is \$31,560. The following options have been identified for the City to consider:

1. Budget an additional \$16, 560 to accomplish the proposed work (Alternate 2); or,
2. Eliminate some of the 2014 proposed trail maintenance work (Alternate 2) and reschedule it to the future; or,
3. Specify Alternate 1 (fog seal) at a projected contract cost of \$4,482; or,
4. Delete the trail work in its entirety.

The following is the list of trails included in the project with projected contract costs for Alternate 2 (sealcoating):

Location	Trail Type	Estimated Cost
north side of Interlachen Rd	On Road	\$1,033
west side of Kingwood Dr into the park	On and Off Road	\$605
east side of Knollwood Dr (north of Highland Scenic Rd)	Off Road	\$12,021
east side of Knollwood Dr (south of Highland Scenic Rd)	Off Road	\$6,429
west side of Knollwood Dr (south of Highland Scenic Rd to school)	Off Road	\$1,974
east side of Jasperwood Dr	Off Road	\$6,860
south side of College Rd	Off Road	\$2,638
	Total	\$31,560

Other than specifying bid Alternate 1 or 2, any work added or removed from the proposed 2014 project will need to be negotiated with the contractor after the construction contract has been executed and is in force.

The unit costs for trail maintenance are significantly higher than those for the street sealcoat work. This is due to the nature of the work along with the minimal amount of work being proposed. Reducing this work further could result in higher negotiated unit prices such that the above costs could possibly be

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increased from those shown above. If prices for reduced work quantities cannot be mutually agreed upon, the trail work could be deleted from the contract by the City

In summary, we recommend the City specify Alternate 2 for the bid award and revise trail work quantities after a contract has been executed with Astech Corp.

Sincerely,
BOLTON & MENK, INC.

Michael P. Rardin, P.E.
Project Manager

The commission discussed reducing the amount of work on the trail maintenance in order to meet the allocated budget of \$15,000.00. There was also concern over the reaction of trail users to the sealcoating; the commission felt that the process should be tested before an extensive amount of work has been completed. This trial section would allow the City time to get a process in place, see what the public reaction will be and time to address additional budgetary needs.

Public Works Director/City Engineer Walter informed the commission that Astech Corp had no concerns with a change order for the proposed project in order to add additional streets and a change order to reduce Alternate 2 by 50 percent.

MOTION by Commissioner Crochet, seconded by Commissioner Klopfleisch to recommend City Council approve the 2014 Sealcoating Project with Crow Wing County Highway Department and request a change order for the addition of Douglas Fir Drive, Hinckley Road and Cypress Drive to meet the budgeted amount of \$325,000.00. Motion carried unanimously.

MOTION by Commissioner Crochet, seconded by Commissioner Klopfleisch to recommend City Council approve Alternate No. 2 for trail maintenance and request a change order to revise trail work quantities to meet the allocated budget of \$15,000.00. Motion carried unanimously.

ADJOURNMENT

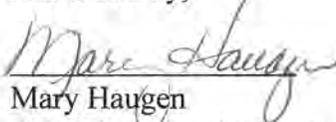
MOTION by Commissioner Crochet, seconded by Commissioner Klopfleisch to adjourn the meeting at 4:25 p.m. Motion carried unanimously.

Approved by:



Rob Moser
Council Liaison

Submitted by,



Mary Haugen
Administrative Assistant