Minneapolis
Park & Recreation Board

Resolution 2018-186

Resolution Awarding a Construction Contract to Peterson Companies, Inc. in the Amount of $1,103,500.00 for Peavey Park Phase 2 Improvements Per O.P. No. 8532, Pending Approval by City of Minneapolis Purchasing & Procurement and Civil Rights Departments and Authorizing Administrative Use of a 5% Construction Contingency Up to $55,175.00 for Necessary Construction Change Orders that May Arise with the Contract, and Authorizing the Transfer of $165,000.00 from the 2017 NPP20 Replace and Invest Construction Contingency Fund and $241,000.00 from the 2018 NPP20 Capital Investment Construction Contingency Fund

Whereas**,** The Minneapolis Park & Recreation Board (MPRB) is the steward of Minneapolis park system;

Whereas, The MPRB is authorized to contract with public and private entities in the performance of its functions;

Whereas, The MPRB has allocated Capital Levy, Net Debt Bond and NPP20 funds to improvements at Peavey Park;

Whereas, The Board of Commissioners approved the South Service Area Master Plan at the September 28, 2016 Board Meeting which included the Master Plan for Peavey Park;

Whereas, The Board of Commissioners approved a professional services agreement with Confluence at the November 2, 2016 Board Meeting for the preparation of design and construction documents for the improvements project;

Whereas, The Board of Commissioners approved a construction contract with Blackstone Companies, LLC at the June 28, 2017 Board Meeting for the Peavey Park Phase 1 Improvements project;

Whereas, The Board of Commissioners approved the concept plan for Peavey Park Playground and Picnic Shelter at the November 15, 2017 Board Meeting;

Whereas, The Peavey Park Phase 2 Improvements project scope is guided by the South Service Area Master Plan;

Whereas, The MPRB publicly solicited and received five (5) bids on March 6, 2018, per O.P. No. 8532, for the Peavey Park Phase 2 Improvements Project;

Whereas, All bids have been reviewed and tabulated with the apparent low bid being

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submitted by Peterson Companies, Inc. in the amount of $1,103,500.00, which includes a base bid in the amount of $1,052,000.00, Alternate #3 in the amount of $42,000.00 and Alternate #4 in the amount of $9,500.00;

Whereas, MPRB staff and consultants have reviewed the bid offered by Peterson Companies, Inc. and find it to be complete and correct and support an award of a construction contract for the Peavey Park Phase 2 Improvements project;

Whereas, This bid offered by Peterson Companies, Inc. is under review by the Minneapolis Departments of Purchasing and Procurement and Civil Rights for approval;

Whereas, Funds from the 2017 Replace and Invest Construction Contingency Fund and the 2018 Capital Investment Construction Contingency Fund are allocated to cover higher than anticipated construction costs;

Whereas, Funds from the NPP20 Rehab Fund are allocated to cover rehabilitation expenses included in the Phase 2 Improvements project scope;

Whereas, With the additional allocations, funds are sufficient to cover the construction contract; and

Whereas, This resolution is supported by the MPRB 2007-2020 Comprehensive Plan, which envisions “Dynamic parks that shape city character and meet diverse community needs;”

RESOLVED, That the Board of Commissioners awards a construction contract to Peterson Companies, Inc. in the amount of $1,103,500.00 for the Peavey Park Phase 2 Improvements Project, per O.P. No. 8532, pending approval by City of Minneapolis Purchasing & Procurement and Civil Rights Departments and authorizes administrative use of a 5% construction contingency up to $55,175.00 for necessary construction change orders that may arise with the Contract, and authorizing the transfer of $165,000.00 from the 2017 NPP20 Replace and Invest Construction Contingency Fund and $241,000.00 from the 2018 NPP20 Capital Investment Construction Contingency Fund; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.

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TO: Administration & Finance Committee

FROM: Michael Schroeder,

DATE: May 2, 2018

SUBJECT: Resolution Awarding a Construction Contract to Peterson Companies, Inc. in the Amount of $1,103,500.00 for Peavey Park Phase 2 Improvements Per O.P. No. 8532, Pending Approval by City of Minneapolis Purchasing & Procurement and Civil Rights Departments and Authorizing Administrative Use of a 5% Construction Contingency Up to $55,175.00 for Necessary Construction Change Orders that May Arise with the Contract, and Authorizing the Transfer of $165,000.00 from the 2017 NPP20 Replace and Invest Construction Contingency Fund and $241,000.00 from the 2018 NPP20 Capital Investment Construction Contingency Fund

BACKGROUND

This Board action considers a construction contract with Peterson Companies, Inc. in the amount of $1,103,500.00 for the Peavey Park Phase 2 Improvements project, per O.P. No. 8532, pending approval by City of Minneapolis Purchasing & Procurement and Civil Rights Departments and authorizes administrative use of a 5% construction contingency up to $55,175.00 for necessary construction change orders that may arise with the Contract, and authorizes the transfer of $165,000.00 from the 2017 NPP20 Replace and Invest Construction Contingency Fund and $241,000.00 from the 2018 NPP20 Capital Investment Construction Contingency Fund.

On February 13, 2018, the Minneapolis Park & Recreation Board publicly solicited bids and received five bids for the project (*Attachment A*). The apparent low bid was submitted by Peterson Companies, Inc. This resolution accepts the low base bid and Alternates #3 and #4, as submitted by Peterson Companies, Inc. for a total contract amount of $1,103,500.00. The base bid amount as offered by Peterson Companies, Inc. is $1,052,000.00 plus the following alternates:

- Alternate #3 to construct a new sidewalk and boulevard on Franklin Avenue between Park Avenue and Chicago Avenue in the amount of $42,000.00. This alternate moves the sidewalk away from the street along the northern edge of Peavey Park.

- Alternate #4 to construct an ADA compliant parallel parking stall on Chicago Avenue adjacent to Peavey Park in the amount of $9,500.00. This alternate provides a required accessible parking space for Peavey Park as the park does not have its own dedicated parking lot.

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Bid Alternates #1 (LED Athletic Field Lighting), Bid Alternate #2 (Picnic Pavilion) and Bid Alternate #5 (Sod Athletic Field) will not be accepted as part of the base contract. MPRB staff, along with community partners, continues to work on strategies to include a new picnic pavilion at Peavey Park at a more affordable cost as all funding for the pavilion will come from community sources.

The project's landscape architecture consultant recommends that a contract for construction of the Peavey Park Phase 2 Improvements project be awarded to Peterson Companies, Inc. based on the Company's responsive and responsible bid (*Attachment B*). The bid offered by Peterson Companies, Inc. is being reviewed by the City of Minneapolis Civil Rights and Purchasing & Procurement Departments to determine that all requirements for award of a contract are met. Pending all necessary approvals and contract execution, construction will commence in Summer 2018.

The proposed Peavey Park Phase 2 Improvements project construction contract includes:

- Regrading and renovation of the multi-use athletic field;
- New playground containers;
- A central path connecting the existing community center to Franklin Ave.;
- Franklin Avenue sidewalk improvements;
- ADA compliant parking;
- Trail improvements;
- New plantings;
- Grading improvements;
- Stormwater management; and
- Lighting improvements.

Additional project funding is provided through the 2017 Replace and Invest Construction Contingency Fund and the 2018 Capital Investment Construction Contingency Fund because the bid cost for this work exceeds the allocated Phase 2 budget. Staff and the project's landscape architect believe this is due to scheduling in the construction industry, which is resulting in higher than expected pricing for some work. Any unused portion of the Capital Improvement Plan Construction Contingency will be de-allocated from the project so it can be used for other NPP20 projects.

Additionally, project funding is provided through the NPP20 Rehab Fund to cover rehabilitation expenses included in the Phase 2 Improvements project scope.

FUNDING / COST SUMMARY

Sources		**$ 2,432,225.00**
2012 Capital Levy Funds	$ 188,000.00	

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Hennepin Co Sidewalk Grant	$	20,875.00	
2017 Net Debt Bonds	$	264,600.00	
2018 NPP20	$	1,000,000.00	
2017 NPP20 Below-grade Infrastructure Rehab	$	17,500.00	
2017 NPP20 Replace and Invest Construction Contingency Fund	$	105,000.00	
2013 Net Debt bonds	$	225,000.00	
2017 NPP20 Rehab Sidewalks & Pavement	$	67,250.00	
2017 NPP20 Rehab Park Lighting	$	74,250.00	
2017 NPP20 Rehab Below-Grade Infrastructure	$	41,250.00	
2017 NPP20 Rehab ADA Improvements	$	9,500.00	
2017 NPP20 Rehab Neighborhood Park Amenity Fund	$	13,000.00	
2017 NPP20 Replace and Invest Construction Contingency Fund	$	165,000.00	
2018 NPP20 Capital Investment Construction Contingency Fund	$	241,000.00	
Uses			**$ 2,431,160.54**
Total Other Construction	$	74,637.13	
Total Architecture & Engineering	$	198,247.00	
Total CE/Marketing	$	4,862.73	
Total Title & Recording	$	10,700.00	
Total Special Consultants/Other Soft Costs	$	83,505.00	
Phase 1 Construction - Blackstone - C-42644	$	551,377.82	
Estimated Playground Equipment Cost	$	349,155.86	
Phase 2 Construction Contract - Peterson Companies	$	1,103,500.00	*pending Board approval*
Phase 2 Construction Contingency (5%) - Peterson Companies	$	55,175.00	*pending Board approval*
Balance			**$ 1,064.46**

Due to timing issues and specific dates within the construction contract, it is requested that this Board action also moves to the full Board for its approval at this meeting.

RECOMMENDATION

Staff recommends that the Board of Commissioners award a construction contract to Peterson

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Companies, Inc. in the amount of $1,103,500.00 for the Peavey Park Phase 2 Improvements Project, per O.P. No. 8532, pending approval by City of Minneapolis Purchasing & Procurement and Civil Rights Departments and authorize administrative use of a 5% construction contingency up to $55,175.00 for necessary construction change orders that may arise with the Contract, and authorize the transfer of $165,000.00 from the 2017 NPP20 Replace and Invest Construction Contingency Fund and $241,000.00 from the 2018 NPP20 Capital Investment Construction Contingency Fund.

This action is supported by the following vision and goal statements in the MPRB 2007-2020 Comprehensive Plan.

Vision Theme 3: Dynamic parks that shape city character and meet diverse community needs
Goal: Parks shape an evolving city.
Goal: Park facility renewal and development respects history and focuses on sustainability, accessibility, flexibility, and beauty.

ATTACHMENTS:

- Attachment A: Bid Tabulation Summary (PDF)
- Attachment B: Award Recommendation Letter (PDF)
- Attachment C: Purchasing Letter - OP8532 (PDF)

Prepared By: Daniel Elias,, Design and Project Management
Review:
Cindy Anderson Completed 04/13/2018 12:57 PM
Cliff Swenson Completed 04/19/2018 12:55 PM
Michael Schroeder Completed 04/21/2018 9:34 PM
Mary Merrill Completed 04/22/2018 12:50 PM
Administration & Finance Committee Pending 05/02/2018 5:10 PM