

**CITY COMMISSION AGENDA MEMO**  
**June 9, 2016**

**FROM:** Brian D. Johnson, P.E., City Engineer

**MEETING:** June 21, 2016

**SUBJECT:** Award a Construction Contract for the West Anderson Avenue Improvements Project (ST0810, ST1601, ST1605, SM1604, WA1618, SS1620); Execute Contract Amendment No. 3 with BG Consultants, Inc., for Construction Administration Services; and Authorize Financing

**PRESENTERS:** Brian D. Johnson, P.E., City Engineer  
Matthew Kohls, BG Consultants

**BACKGROUND**

The West Anderson Avenue Transportation project began in 2008 as a study and design of what the future lane width and number would be along the West Anderson Avenue corridor from Anneberg Park to the intersection of Kimball Avenue/Scenic Drive/Anderson Avenue. Included in the original study and design was a traffic signal for the intersection.

**DISCUSSION**

On December 2, 2014, a follow-up discussion included direction from the City Commission to vacate part of the excess right-of-way along Anderson Avenue adjacent to the Scenic Crossing subdivision and solicit a scope and fee from BG Consultants to design a roundabout at Scenic Drive/Kimball Avenue/Anderson Avenue, replacing the signalized intersection that was originally designed.

On July 7, 2015, the developer of Scenic Crossing and City Administration presented to the City Commission a development plan for the Scenic Crossing subdivision. The developer of this property agreed to include financing for some of the improvements which were part of the West Anderson Avenue Transportation Project within the benefit district for Scenic Crossing subdivision. The developer also agreed to form a transportation development district to help fund other parts of the West Anderson Avenue Transportation Project.

At this same meeting, Blueville Nursery expressed a desire to be annexed into the city limits and form a Transportation Development District if the City would extend the project to the west to better serve the Blueville property.

On September 1, 2015, the City Commission approved a scope and fee to change the project intersection design at Kimball Avenue/Scenic Drive/Anderson Avenue from a traffic signal to a roundabout and extend the project to the west limits of Blueville Nursery.

BG Consultants completed the preliminary design of the Kimball/Scenic/Anderson Avenue intersection, and, on January 4, 2016, Public Works and the Parks Department presented the preliminary design to the Parks and Recreation Advisory Board and received a unanimous vote to proceed with final design and construction.

On January 26, 2016, Public Works presented the updated design concepts at a work session to the City Commission and two alternates, including a crossing of Wildcat Creek on Scenic Drive, and a “Hawk” signal at Anneberg Park.

On March 1, 2016, Public Works presented the final design to the City Commission and received authorization from the City Commission to complete design of the roadway and Alternatives No. 1 and No. 2. Alternate No. 1 included paving of the north section of the trail along the north side of Anneberg Park. Alternate No. 2 included a pedestrian trail/sidewalk from the north side of Wildcat Creek south using the east side of the existing bridge along Scenic Drive and extending to Highland Ridge Drive.

After March 1, 2016, BG Consultants completed plans and specifications, Alternates No. 1 and No. 2 plans and specifications, and a bid letting was scheduled for June 7, 2016.

In addition to finalizing the plans and specifications, Public Works was also directed to finalize the annexation of Blueville Nursery and submit a Transportation Development District to the City Commission from Blueville. Both the annexation and the TDD from Blueville will help to offset the costs of extending the project to the west side of Blueville.

The City Commission also directed Public Works to work with Westar Energy and the adjoining properties along Anderson Avenue to bury the overhead power lines along the corridor. Easements for Westar have been secured, an agreement between the City and Westar has been finalized, and Westar has secured a contractor to bury all the overhead power between Scenic Crossing, through the roundabout, and to the west property line of Blueville, and north and south of the roundabout along Kimball Avenue and Scenic Drive.

Attached is a letter of recommendation from the BG Consultants to award a construction contract to Pavers, Inc., of Salina, Kansas, along with a bid summary outlining the results of the June 7, 2016, bid. The Engineer's Opinion of Probable Cost presented to the City Commission is \$6,606,114. The low bid from Pavers, Inc., was \$6,150,038 or nearly \$456,077 below the estimated cost.

In addition, BG Consultants has submitted Contract Amendment No. 3 for additional professional and technical services in the amount of \$21,920. The additional services include attending weekly construction meetings and revising any drawings or contract specifications as needed. The anticipated timeframe for construction for this project is estimated at eighteen months. BG Consultants would be tasked with coordination and communication with both the City and the contractor at weekly meetings or as required.

If Alternate No. 2 is accepted, City Administration will explore various options to design and develop a pedestrian crossing under the south end of the Wildcat Creek bridge to provide a safe pedestrian access to the west side of Scenic Drive and the Highland Ridge subdivision west of Scenic Drive. A contract amendment with BG Consultants is anticipated in the future for these purposes.

## **FINANCING**

This project has various projected funding sources. Breakdown for funding of the project is anticipated as follows:

### **Part A. Roadway**

This item includes the roadway and street infrastructure, except for the turn lanes to serve the Scenic Crossing subdivision.

**Total Cost** **\$4,588,500**

### **Part B. Turn Lanes for Scenic Crossing Subdivision**

This item includes the development of turn lanes for the Scenic Crossing property. Included in the street petition for the Scenic Crossing subdivision were costs associated with these improvements.

**Total Cost** **\$177,147**

### **Part C. Anderson Avenue Street Maintenance from Anneberg Park to Windsong Lane and along Scenic Drive south of Anderson.**

Anderson Avenue east of Anneberg Park was scheduled to receive a mill and overlay in 2017 from Hudson Street to Anneberg Park. In lieu of doing that work as part of the 2017 street maintenance project, that section will be done in 2016 to take advantage of economy of scale and lower bids this year. In addition, Anderson Avenue will be restriped to include a westbound left turn lane for entrance into Anneberg Park. This will be paid from the 2016 Street Maintenance budget.

**Total Cost** **\$414,035**

**Part D. Storm sewer inlets and pipes**

This item is for the Storm sewer inlets and storm sewer pipes along and under Anderson Avenue, Kimball Avenue, and Scenic Drive. This project was identified and approved in the 2016 CIP. The cost will be financed from the Storm sewer Utility Fund.

**Total Cost** **\$689,848**

**Part E. Waterline Relocation**

This item includes the relocation of a water transmission main along Scenic Drive and Kimball Avenue. An existing waterline is in conflict with several items of construction and needs to be relocated. This project was identified and approved in the 2016 CIP budget. The cost will be financed from the Water Utility Fund.

**Total Cost** **\$202,955**

**Part F. Sanitary Sewer Relocation**

This item includes the relocation and extension of existing Sanitary Sewer mains along both Anderson Avenue and Scenic Drive. These sewer mains are either in conflict with the proposed construction, or need to be extended past the new Anderson Avenue and Scenic Drive construction. The cost will be financed from the Sanitary Sewer Utility Fund.

**Total Cost** **\$77,549**

**As Bid Cost Summary** **\$ 6,150,038**

less Benefit District	\$ 177,148
less Special Street & Highway Fund	\$ 414,036
less Stormwater Fund	\$ 689,849
less Water Fund	\$ 202,956
less Sanitary Sewer Fund	<u>\$ 77,549</u>

Total unidentified funding sources \$ 4,588,500

Alternate No. 1 (Pave northern section of Anneberg Park Trail) \$ 74,800

Alternate No. 2 (Pedestrian sidewalk along east side of Scenic Drive) \$ 223,009

**Total** **\$ 4,886,309**

This total amount of debt at a 15-year term results in an annual average payment of \$526,000. City Administration is recommending \$500,000 from the Economic Development Fund, and \$500,000 from the STP Fund be applied to this project. Whether these amounts are up front to reduce the principal, or these sources contribute annually for 15 years has yet to be determined. In addition, \$50,000 is anticipated annually from Transportation Development District's from both Scenic Crossing and Blueville. The remaining balance of the annual debt would be financed from the Bond and Interest Fund.

The debt would likely be permanently financed in 2019 or 2020. Factors impacting the Bond and Interest Fund by 2020 (current debt retired or valuation growth) may also result in a minimal to limited increase in the mill levy to support this debt.

## **ALTERNATIVES**

It appears the Commission has the following alternatives concerning the matter at hand. The Commission may:

1. Accept the Engineer's Opinion of Probable Cost for the base construction in the amount of \$6,606,114; award and authorize the Mayor and City Clerk to execute a construction contract in the amount of \$6,150,038 plus Alternatives No. 1 and No. 2 for a total contract amount of \$6,420,919 to Pavers, Inc., of Salina Kansas; Authorize the Mayor and City Clerk to execute Contract Amendment No. 3 with BG Consultants, Inc., of Manhattan, Kansas; and approve Resolution No. 062116-B, authorizing the issuance of General Obligation bonds to finance the costs of the project.
2. Accept the Engineer's Opinion of Probable Cost for the base construction in the amount of \$6,606,114, but do not award a construction contract nor enter into the Contract Amendment with BG Consultants.
3. Modify to meet the needs of the Commission.
4. Table the request.

## **RECOMMENDATION**

City Administration recommends the City Commission accept the Engineer's Opinion of Probable Cost in the amount of \$6,606,114 for the base construction; award and authorize the Mayor and City Clerk to execute a construction contract in the amount of \$6,150,038 plus Alternatives No.1, and No. 2 for a total contract amount of \$6,420,919 to Pavers, Inc., of Salina Kansas; authorize the Mayor and City Clerk to execute Contract Amendment No. 3 in an amount not to exceed \$21,920 with BG Consultants, Inc.; and approve Resolution No. 062116-B, authorizing the issuance of General Obligation bonds to finance the costs of the project.

## **POSSIBLE MOTION**

Accept the Engineer's Opinion of Probable Cost in the amount of \$6,606,114 for the base construction; award and authorize the Mayor and City Clerk to execute a construction contract in the amount of \$6,150,038 plus Alternatives No. 1 and No. 2 for a total contract amount of \$6,420,919 to Pavers, Inc., of Salina Kansas; authorize the Mayor and City Clerk to execute Contract Amendment No. 3 in an amount not to exceed \$21,920 with BG Consultants, Inc., of Manhattan, Kansas; and approve Resolution No. 062116-B, authorizing the issuance of General Obligation bonds to finance the costs of the West Anderson Avenue Improvements project.

BDJ/ie  
16083

### Enclosures:

1. Letter of Recommendation
2. Bid Summary
3. Contract Amendment No. 3
4. Resolution No. 062116-B



June 8, 2016

Mr. Brian Johnson, P.E.  
City Engineer  
1101 Poyntz Ave.  
Manhattan, KS 66502

Re: West Anderson Avenue Improvements  
City Project Nos. ST0810, ST1601, ST1605, SM1604, WA1621, and SS1625  
BG Project No. 15-1424M

Dear Mr. Johnson:

On June 7, 2016 at 3:00 p.m., five (5) bids were received along with an Engineer's Estimate and read publicly at Manhattan City Hall by Mr. Gary Fees, City Clerk. Of the five submitted bids, Pavers, Inc., Salina, KS, was the apparent low bidder with a Grand Total Base Bid of \$6,150,037.83. This apparent low bid was below the Engineer's Estimate of \$6,606,114.00.

A summary of the bids in order of opening follows and an itemized bid tabulation is enclosed.

BIDDER	Grand Total Base Bid	Alternate 1	Alternate 2	Alternate 3
Engineer's Estimate	\$ 6,606,114.00	\$74,800.00	\$381,772.00	\$ (50,000.00)
Pavers, Inc.	\$ 6,150,037.83	\$47,872.00	\$223,008.88	\$ -
Bayer Construction Co., Inc.	\$ 6,666,200.37	\$55,352.00	\$269,488.50	\$ (1.00)
Ebert Construction Co., Inc.	\$ 6,382,846.89	\$54,409.52	\$344,816.56	\$ (70,600.24)
Amino Brothers Co., Inc.	\$ 7,537,500.10	\$56,848.00	\$355,976.25	\$ -
Kissick Construction Co.	\$ 9,149,261.90	\$104,720.00	\$258,448.00	\$ (35,000.00)

Pavers, Inc. is currently working on construction projects in the City of Manhattan. Our firm also has past experience with this contractor on other construction projects in this region. I believe Pavers, Inc. is qualified to perform the scope of work included in this project.



I recommend awarding the construction contract for the above referenced project to Pavers, Inc. in the base bid amount of 6,150,037.83 with the award of Alternate 1 and Alternate 2 being contingent on the availability of City Funds. The potential award of each alternate has no bearing on the lowest responsible bidder for the project as Pavers, Inc. was the lowest bidder for each alternate. This recommendation is based upon my opinion of the identification of the lowest responsible bidder for the project.

Sincerely,



Matthew Kohls, P.E.  
Project Manager

Enc. - Itemized Bid Tabulation Summary





Client: City of Manhattan  
 Project Title: West Anderson Avenue Improvements  
 City Project No. ST0810, ST1601, ST1605, SM1604, WA1621, SS1625  
 BG Project No. 15-1424M  
 BID DATE: June 7, 2016 @ 3:00 PM

BIDDER	BASE BID (A+B+C+D+E+F)	ALTERNATE NO. 1	ALTERNATE NO. 2	ALTERNATE NO. 3	GRAND TOTAL BID
PAVERS, INC. *	\$6,150,037.83	\$47,872.00	\$223,008.88	-	* \$6,420,918.71
EBERT CONSTRUCTION CO., INC.	\$6,382,846.89	\$54,409.52	\$344,816.56	-	\$6,782,072.97
BAYER CONSTRUCTION CO., INC.	\$6,666,200.37	\$55,352.00	\$269,488.50	(\$70,600.24)	\$6,920,440.63
AMINO BROTHERS CO., INC.	\$7,537,500.10	\$56,848.00	\$355,976.25	(\$1.00)	\$7,950,323.35
KISSICK CONSTRUCTION CO.	\$9,149,261.90	\$104,720.00	\$258,448.00	-	\$9,512,429.90
ENGINEER'S OPINION OF PROBABLE COST	\$6,606,114.00	\$74,800.00	\$381,772.00	(\$50,000.00)	\$7,012,686.00

\* Recommend Award

### CONTRACT AMENDMENT NO. 3

This Amendment entered into in the City of Manhattan, Riley County, State of Kansas, this 21<sup>st</sup> day of June, 2016, by and between the City of Manhattan, Kansas, a Municipal Corporation, (“City”), and BG Consultants, Inc., (“Consultant”).

WITNESSETH:

WHEREAS, Consultant is an professional corporation, with local offices located at 4806 Vue Du Lac Place, Manhattan, Kansas, 66503, licensed to provide professional engineering services in the State of Kansas; and,

WHEREAS, the City and the Consultant executed a contract on September 2, 2008, (“Original Contract”) in which the Consultant agreed to provide professional services for the City’s West Anderson Transportation Expansion, Project No. ST0810 (“Project”); and,

WHEREAS, the City and Consultant adopted a First Amendment to the Original Contract as of September 1, 2015, to incorporate additional professional and technical services and a Second Amendment as of March 22, 2016, to incorporate additional professional and technical services for the project, (the Original Contract and the First and Second Amendments are hereinafter the “Contract”)); and,

WHEREAS, further, the City has determined the need for additional professional and technical services and desires additional professional and technical services for the City’s West Anderson Transportation Expansion, Project No. ST0810, as described in the proposal dated June 10, 2016, Exhibit A; and

WHEREAS, the City and Consultant desire to amend the Contract to include these additional services.

NOW THEREFORE, in consideration of the foregoing recitals and the terms and conditions herein contained, it is agreed to the following:

1. That Section 1(B) of the Contract shall be amended as follows: The services, as described in the Contract, shall be modified to incorporate the scope of work changes, set forth in Exhibit A to this Amendment, attached hereto and incorporated by reference.
2. That Section 3(A) of the Contract shall be amended as follows: As consideration for providing the services described in Exhibit A to this Amendment, the City shall pay Consultant as follows: a sum not to exceed \$21,920.00 for the additional services described in Exhibit A. Therefore, the parties agree that the total cost to complete the services for the Project shall not, in any way, exceed \$580,853.00 without the City’s prior written approval.
3. All provisions of the Contract shall apply to the provision of the Services described herein. The terms of the Contract, in conflict herewith, shall be repealed. The terms of the

Contract, not amended hereby, shall remain in full force and effect and the parties hereto reconfirm the Contract as amended hereby.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year above written.

BG Consultants, Inc.:

  
\_\_\_\_\_  
Matthew A. Kohls, Vice President

ACKNOWLEDGMENTS

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED, that on this 14<sup>th</sup> day of June, 2016, before me, the undersigned, a notary public in and for the County and State aforesaid, came Matthew A. Kohls, authorized representative of BG Consultants, Inc., who is personally known to me to be the same person who executed the foregoing Agreement, and duly acknowledged the execution of the same on behalf of the corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written.



  
NOTARY PUBLIC

My appointment expires:

CITY OF MANHATTAN:

ATTEST:

\_\_\_\_\_  
Usha Reddi, Mayor

\_\_\_\_\_  
Gary S. Fees, MMC City Clerk

ACKNOWLEDGMENTS

STATE OF KANSAS, COUNTY OF RILEY, SS:

BE IT REMEMBERED, that on this 21<sup>st</sup> day of June, 2016, before me, the undersigned, a notary public in and for the County and State aforesaid, came Usha Reddi, Mayor for the City of Manhattan and Gary S. Fees, City Clerk, who are personally known to me to be the same persons who executed the foregoing Agreement, and duly acknowledged the execution of the same on behalf of the City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written.

\_\_\_\_\_  
NOTARY PUBLIC

My appointment expires:

## EXHIBIT A – AMENDMENT 3 SCOPE OF BASE SERVICES

Project: West Anderson Avenue Expansion Project  
(ST0810)  
Owner: City of Manhattan, Kansas  
Engineer: BG Consultants, Inc.

### GENERAL SERVICES

The contract amendment is generally described as the following:

Supplemental Construction Engineering *as needed when requested by the City Engineer* through 16 months of construction for the West Anderson Avenue Expansion Project.

The Engineer agrees to provide the following services.

#### TASK 1: SUPPLEMENTAL CONSTRUCTION ENGINEERING

- Attend progress meetings
- Conduct construction engineering (field visits, plan modifications, etc.) when requested.

**Fee is based upon the following Time and Material fee estimate.**

**Exhibit B - Amendment 3: Estimated Engineering Fee  
West Anderson Avenue Expansion Project  
ST0810**

**TASK 1: SUPPLEMENTAL CONST. ENGINEERING**

	Principal	PM	PE	Design Eng.	Cad Operator	Proj. Surveyor	Field Super.	Surveyor	Total
	\$ 184.50	\$ 147.50	\$ 137.00	\$ 105.00	\$ 102.00	\$ 123.50	\$ 97.00	\$ 70.00	
Attend Progress Meetings/Conduct Const. Engineering			160						160
Total Hours =	0	0	160	0	0	0	0	0	160
Total Cost =	\$ -	\$ -	\$ 21,920.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,920.00

*\*Supplemental Construction Engineering based on 10 hrs/month for 16 months.*

**Total Supplemental Construction Engineering = \$ 21,920.00**

**Total Fee = \$ 21,920.00**

(Published in *The Manhattan Mercury* on June 26, 2016)

## **RESOLUTION NO. 062116-B**

**A RESOLUTION OF THE CITY OF MANHATTAN, KANSAS, DECLARING IT NECESSARY TO REMOVE AND WIDEN WEST ANDERSON AVENUE ROADWAY FROM ANNEBERG PARK WEST TO THE INTERSECTION OF KIMBALL AVENUE/SCENIC DRIVE WITHIN THE CITY OF MANHATTAN, KANSAS; AND AUTHORIZING AND PROVIDING FOR THE PAYMENT OF THE COSTS THEREOF.**

**WHEREAS**, K.S.A. 13-1038 *et seq.* (the "Act") provides that the governing body of any city of the first class shall have the power to (a) declare by resolution the public necessity to, and its intent to, recurb, regutter, resurface or repave or repair any street or alley or any portion thereof in said city and (b) cause said improvement to be made, *provided* that no street or alley or any portion thereof shall be recurbed, reguttered, resurfaced or repaved, under the provisions of the Act until at least ten (10) years have elapsed subsequent to the date of completion of such original improvement; and

**WHEREAS**, the Act further provides that cities having a population of more than 15,000 and less than 110,000 may pay the entire cost of resurfacing of any such street city at large and issue bonds in payment of the cost thereof; and

**WHEREAS**, the governing body of the City of Manhattan, Kansas (the "City"), is a city of the first class, with a population of approximately 56,078; and

**WHEREAS**, the governing body of the City hereby finds and determines it to be necessary to remove and widen the roadway of West Anderson Avenue from Anneberg Park west to the intersection of Kimball Avenue/Scenic Drive within the City, the costs of which shall be payable by the City at large, to be financed by the issuance of general obligation bonds of the City, all under authority of the Act.

**THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF MANHATTAN, KANSAS:**

**Section 1. Project Authorization.** Under the authority of the Act, it is hereby deemed and declared to be necessary to remove and widen the roadway of West Anderson Avenue from Anneberg Park west to the intersection of Kimball Avenue/Scenic Drive within the City, including pavement, curb and gutter, related storm sewer improvements, re-construction of intersections, pedestrian signalization and sidewalk/paved trail adjacent thereto (the "Project"), at an estimated construction cost of \$7,312,795. More than 10 years has elapsed since the original construction of said street.

**Section 2. Bond Authorization.** The governing body of the City hereby authorizes the issuance of general obligation bonds of the City (the "Bonds") in an amount necessary to pay the costs of the Project and associated costs of issuance and interest on interim financing.

**Section 3. Reimbursement.** Any Bonds issued under the authority of this Resolution may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation §1.150-2.

**Section 4. Effective Date.** This Resolution shall take effect and be in full force from and after its adoption by the governing body of the City.

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**ADOPTED AND APPROVED** by the governing body of the City of Manhattan, Kansas, on June 21, 2016.

(Seal)

\_\_\_\_\_  
Usha Reddi, Mayor

ATTEST:

\_\_\_\_\_  
Gary S. Fees, MMC, City Clerk

### **CERTIFICATE**

I, hereby certify that the above and foregoing is a true and correct copy of the Resolution No. 062116-B of the City of Manhattan, Kansas adopted by the governing body on June 21, 2016 as the same appears of record in my office.

DATED: June 21, 2016.

\_\_\_\_\_  
Gary S. Fees, MMC, City Clerk