

Minnehaha Creek Watershed District

REQUEST FOR BOARD ACTION

MEETING DATE: July 26, 2018

TITLE: Awarding contract for demolition of facilities at 325 Blake Road

RESOLUTION NUMBER: 18-074

PREPARED BY: Michael Hayman

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REVIEWED BY: Administrator Counsel Program Mgr. (Name): _____
 Board Committee Engineer Other

WORKSHOP ACTION:

<input type="checkbox"/> Advance to Board mtg. Consent Agenda.	<input type="checkbox"/> Advance to Board meeting for discussion prior to action.
<input type="checkbox"/> Refer to a future workshop (date): _____	<input type="checkbox"/> Refer to taskforce or committee (date): _____
<input type="checkbox"/> Return to staff for additional work.	<input type="checkbox"/> No further action requested.
<input checked="" type="checkbox"/> Other (specify): Requesting approval at the July 26, 2018 Board Meeting	

PURPOSE or ACTION REQUESTED:

Final action is requested on July 26, 2018 to award the contract for the 325 Blake Road Hopkins Cold Storage Demolition Project to Veit & Company, Inc., to authorize the work for the amount of \$1,468,575.00, including the base bid and alternate bids one (1) and three (3), and to establish a not to exceed amount of \$1,615,423.00.

PROJECT/PROGRAM LOCATION:

325 Blake Road North, Hopkins

PROJECT TIMELINE:

July 2018 – Award contract for demolition
August 13, 2018 – Base bid (phase 1) demolition activity commences
September 28, 2018 – Base bid (phase 1) complete
September-December 2018 – Alternate bids (phase II) demolition activities
December 28, 2018 – Alternate bids complete
January 2019 – Cleared site is temporarily stabilized and redevelopment ready

PROJECT/PROGRAM COST:

Fund name and number: 325 Blake Road Stormwater Management, 3145
Current fund balance: approximately \$2,500,000.00
Requested amount of funding: \$1,615,423 (base bid, select alternates and 10% construction contingency)
Is a budget amendment requested? No

PAST BOARD ACTIONS:

September 22, 2011 RBA 11-085 Authorization to Purchase 325 Blake Road
August 23, 2012 RBA 12-080 Authorization to initiate feasibility

June 13, 2013	Draft Feasibility	No Action Required
June 27, 2013	Public Hearing	No Action Required
July 25, 2013	RBA 13-078	Ordering of 325 Blake Road Stormwater Management
January 23, 2014	RBA 14-005	Authorization to initiate demolition planning
January 29, 2015	RBA 15-010	Authorization to complete additional asbestos investigation
May 25, 2017	RBA 17-037	Authorization to apply for Brownfield Gap Financing
July 27, 2017	RBA 17-044	Authorization to contract for environmental investigation
October 12, 2017	RBA 17-062	Authorization to apply for funding assistance for 325 Blake
March 22, 2018	RBA 18-026	Authorization to decommission and remove equipment
March 22, 2018	RBA 18-027	Authorization to contract for demolition services
June 28, 2018	RBA 18-058	Authorization to solicit bids

*Board actions listed in this RBA relate to acquisition, project ordering and demolition planning. Additional Board actions are cataloged and available for review.

SUMMARY:

On March 22, 2018, the MCWD initiated development of final plans and specifications for demolition services at the 325 Blake Road site. In order to clear the site and make way for the anticipated redevelopment and natural resource improvements on the site, as well as accommodate the reconstruction of Blake Road, the industrial facilities must be removed in a timely manner.

To facilitate the ongoing construction of Blake Road (Hennepin County Road 20) and remove the portion of the building that currently stands within the road right-of-way, the bid plans and specifications were developed as a two-phase demolition set. The base bid, or phase 1 work, consists of removal of the western-most portion of the facility (approximately one-sixth of the building). The remainder of the building was bid as an alternate (phase 2), allowing for a longer removal schedule and some flexibility for the selected contractor to address asbestos abatement and site staging.

On June 28, 2018 the Board approved final plans and specifications and authorized bid solicitation. The approved bid package included four (4) alternate bid elements consisting of; 1) phase 2 demolition, abatement and grading of the eastern portion of the facility, 2) stockpile concrete and asphalt onsite, 3) crush concrete and asphalt onsite, and 4) dispose of concrete and asphalt off site. Additionally, to ensure the lowest responsive bidder is qualified to conduct asbestos abatement and remove a facility of this level of complexity, as an element of demonstrating that it is a responsible bidder, each bidder was required to submit a qualified work experience statement identifying project experience of a similar nature.

The public bid process was open for approximately three weeks – July 2, 2018 thru July 23, 2018 – with two mandatory pre-bid meetings being held on July 9, 2018 and July 12, 2018. The District received five (5) bid proposals (tabulation attached) and on July 23, 2018 opened the bids and read aloud to those in attendance.

The District engineer has determined that the Veit & Company bid is responsive, and Veit & Company has submitted a work experience statement identifying adequate project experience, including subcontractors whose experience includes asbestos abatement and other project element experience. The District engineer and staff find that Veit & Company has met the experience statement requirements set forth in the solicitation of bids and otherwise is a responsible contractor.

The District established a projected budget of \$1,795,075 based on the engineer’s opinion of probable cost. The base bid plus select alternate bid submittals fall within this budget (\$1,468,575). Applying the District’s standard 10% construction contingency, the requested amount of funding totals \$1,615,423. To date, the project has received grant funding from Hennepin County (\$500,000) to assist with demolition activities and Metropolitan Council (\$805,700) to assist with asbestos abatement. The District will use right-of-way acquisition funds to pay for the remaining portion of removal which will qualify as the District’s grant match.

Regarding construction schedule, the base bid must be completed by September 2018. The area of the building specifically within the Blake Road right-of-way area is called out as needing to be removed first, thus timing with Blake Road utility work that is scheduled to begin in August 2018. As previously noted, the bid alternate portion of the demolition work provides for a longer removal schedule, offering a level of flexibility for the selected contractor to phase abatement, removals and site stabilization. This work phase must be completed by the end of 2018.

Upon completion of demolition activities the site will be left in a temporary state, using site available soil for final grades and seeding. The project requires a temporary sediment basin (located at the present basement / machine room site) and will remain stabilized with erosion control measures (seed, mulch, silt fence, etc.) in place until redevelopment and restoration works commences in 2019.

Staff recommends the Board of Managers award the construction contract for the 325 Blake Road Hopkins Cold Storage Demolition Project to Veit & Company, Inc., accepting the base bid and alternate bids one (1) and three (3) – consisting of all phase 2 demolition work (alternate bid #1) and the crushing and stockpiling of concrete and asphalt onsite (alternate bid #3). Staff recommends authorizing the work for the amount of \$1,468,575, and to establish a construction budget for the not to exceed amount of \$1,615,423.

ATTACHMENTS:

1. Bid Tabulation

RESOLUTION

RESOLUTION NUMBER: 18-074

TITLE: Awarding contract for demolition of facilities at 325 Blake Road

WHEREAS, the MCWD established the area between West 34th Street and Meadowbrook Lake as a priority area for capital project improvements aimed at stormwater improvement, streambank restoration and broader community goals;

WHEREAS, the MCWD Board of Managers has developed a series of strategic capital project initiatives within the urban corridor to advance goals of improving the ecological integrity of Minnehaha Creek, while reintegrating the stream corridor into the surrounding urban fabric;

WHEREAS, in 2011 the MCWD acquired the 325 Blake Road property for water resource purposes including stream restoration, regional stormwater management, and corridor habitat and passive recreation improvements, and for the opportunity to integrate these purposes with the public purposes of other bodies;

WHEREAS, the MCWD has moved forward in planning and construction of regional stormwater infrastructure, Minnehaha Creek Greenway expansion planning, site facility decommissioning and demolition, environmental remediation and preliminary redevelopment;

WHEREAS, in order to clear the site and make way for the anticipated redevelopment and natural resource improvements on the site, as well as accommodate the reconstruction of Blake Road in the summer of 2018, it is necessary to conduct demolition and asbestos abatement work in a timely manner;

WHEREAS, on June 28, 2018 the Board approved final plans and specifications and authorized bid solicitation for demolition of facilities at 325 Blake Road; and

WHEREAS, the District published the request for bids and received five (5) bids for the work, which on July 23, 2018 were opened and read aloud;

WHEREAS Veit & Company, Inc. submitted the low bid, consisting of the Base Bid and Alternate, and District staff and engineer have determined that the bid is responsive and find Veit & Company, Inc. to be a responsible bidder;

NOW, THEREFORE, BE IT RESOLVED, the contract for demolition, including the base bid and bid alternates one (1) and three (3), is awarded to Veit & Company, Inc. in the contract amount of \$1,468,575.00; and

BE IT FURTHER RESOLVED that the MCWD Administrator is authorized to issue a notice of award and execute the contract for the 325 Blake Road Hopkins Cold Storage Demolition Project, and is to return and otherwise administer bid bonds in accordance with the terms of the request for bids; and

BE IT FURTHER RESOLVED that the MCWD Board of Managers authorizes the Administrator to issue a notice to proceed to Veit & Company, Inc. in accordance with the terms of this resolution on advice of counsel, and receipt of a signed contract and required bonds and insurance documentation; and

BE IT FINALLY RESOLVED that a project contract budget is established in the not-to-exceed amount of \$1,615,423.00 and the District Administrator, in his judgment and on the recommendation of the District's project engineer, is authorized to execute change orders obligating the District up to that amount.

Resolution Number 18-074 was moved by Manager _____, seconded by Manager _____.
Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: _____.

Secretary Date: _____

HOPKINS COLD STORAGE DEMOLITION PROJECT
 MINNEHAHA CREEK WATERSHED DISTRICT
 BID TABULATION
 JULY 23, 2018 10:00 AM

	VEIT	NORTHERN LINES	BOLANDER	RACHEL	LANDWEHR
Bid Item Description	Lump Sum Cost	Lump Sum Cost	Lump Sum Cost	Lump Sum Cost	Lump Sum Cost
BASE BID DEMOLITION					
BASE BID GRADING AND EROSION CONTROL					
BASE BID ABATEMENT					
TOTAL BASE BID	\$ 308,465.00	\$ 457,416.00	\$ 448,000.00	\$ 499,900.00	\$ 759,525.00
ALTERNATE BID #01 DEMOLITION					
ALTERNATE BID #01 GRADING AND EROSION CONTROL					
ALTERNATE BID #01 ABATEMENT					
TOTAL ALTERNATE BID #01	\$ 1,003,135.00	\$ 1,333,812.00	\$ 1,630,000.00	\$ 1,668,132.00	\$ 1,743,040.00
ALTERNATE BID #02 STOCKPILE CONCRETE AND ASPHALT ONSITE	\$ 47,650.00	\$ 16,100.00	\$ 50,000.00	\$ 81,900.00	\$ 141,000.00
ALTERNATE BID #03 CRUSH CONCRETE AND ASPHALT ONSITE	\$ 156,975.00	\$ 144,631.00	\$ 165,000.00	\$ 132,500.00	\$ 290,780.00
ALTERNATE BID #04 DISPOSE CONCRETE AND ASPHALT OFF SITE	\$ 191,300.00	\$ 221,346.00	\$ 340,000.00	\$ 183,500.00	\$ 308,400.00
TOTAL BASE BID + ALTERNATE BID #01 + ALTERNATE BID #02	\$ 1,359,250.00	\$ 1,807,328.00	\$ 2,128,000.00	\$ 2,249,932.00	\$ 2,643,565.00
TOTAL BASE BID + ALTERNATE BID #01 + ALTERNATE BID #03	\$ 1,468,575.00	\$ 1,935,859.00	\$ 2,243,000.00	\$ 2,300,532.00	\$ 2,793,345.00
TOTAL BASE BID + ALTERNATE BID #01 + ALTERNATE BID #04	\$ 1,502,900.00	\$ 2,012,574.00	\$ 2,418,000.00	\$ 2,351,532.00	\$ 2,810,965.00