

Meeting Agendas/Info

CITY COUNCIL
COMMUNICATION:

ITEM _____

01-590

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

AGENDA:

NOVEMBER 19, 2001

SUBJECT:

MARTIN LUTHER
KING, JR.
PARKWAY FROM
RACCOON RIVER
TO INGERSOLL
AVENUE

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

FLOYD BENTZ, P.E.
CITY ENGINEER

SYNOPSIS -

On October 22, 2001, by Roll Call No. 01-3152, the City Council received, filed, and accepted the sealed bids for the Martin Luther King, Jr. (MLK) Parkway paving from the Raccoon River to Ingersoll Avenue. Bids were received from two bidders, with the low bid being submitted by Jensen Construction Company and United Contractors, Inc., as a joint venture. Staff recommends to reject bids and redesign and rebid work.

FISCAL IMPACT -

The low bid received was \$13,458,451.97. Approximately \$10.5 million had been identified by the consultant in the revised MLK Parkway budget for the construction of this project. The original budget numbers only identified \$7.6 million for construction. The low bid received was \$3 million over the revised construction estimate submitted and more than \$5.8 million over the original project budget.

RECOMMENDATION -

Reject bids on this project and redesign the project to include closure of Grand Avenue for an extended time period and other design changes to reduce costs, and rebid the project at a future date.

BACKGROUND -

Because of the size and complexity of the MLK Parkway project, the project has been divided into approximately 15 contracts. Up to this point, seven contracts have been awarded for work on the east-west segment of this project from 2nd Avenue to 16th Street. The bids recently received for MLK Parkway paving from the Raccoon River Bridge to Ingersoll Avenue, which included the bridge on Grand Avenue over MLK Parkway, was the first project on the north-south

segment of this project that had gone out for bids.

Two bids were received on the project, the low bid of \$13,458,451.97 was submitted by Jensen Construction Company and United Contractors, Inc. as a joint venture. After extensive review of the bids and helpful input from the low bidder on this project, it has become apparent that several items included in the contract documents have increased the cost over previous consultant estimates. One factor affecting the bid on this project was the short timeframe allowed by the City for closure of Grand Avenue. This restricted closure was designed to minimize the disruption to the traveling public. Another factor that caused bids to be higher than the consultant's estimate was the layout of the retaining wall. The wall as designed has several stepback features to enhance appearance. The contractor indicated this stepback feature was considerably more expensive than the suppliers had originally quoted.

Staff is recommending that the bids be rejected on this project and that the project be redesigned. Elements to consider in the redesign include a longer period of time for closure of Grand Avenue, a different retaining wall, changes to storm sewer, bridge details, and any other items associated with significant cost savings.

If the current bid climate of higher prices is projected through the upcoming contracts, then the original budget will not be adequate to complete the project as currently envisioned. In order to complete the project, it is also recommended to explore potential cost saving design changes on the remaining phases that are consistent with a supportable budget.
