



Agenda Item:
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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 11/07/05
Agenda Item Type: Resolution

Communication No.: 05-612
Roll Call No.:

Submitted by: Jeb E. Brewer, P.E., City Engineer
Donald M. Tripp, Parks and Recreation Director

SUBJECT—

Combined Walnut Creek Trail – Phases 1A and 1B and the American Discovery Trail – Segments 1 and Segment 2: Resolution approving plans, specifications, form of contract documents, Engineer's estimate, and designating lowest responsible bidder as Grimes Asphalt & Paving Corp. (Jerald M. Younker, President, Grimes), \$1,097,222.40

SYNOPSIS—

On October 18, 2005, bids were received by the Iowa Department of Transportation (IDOT) for the construction of the Combined Walnut Creek Trail - Phases 1A and 1B, and the American Discovery Trail - Segments 1 and 2. Two bids were received; one from Peterson Contractors, Inc., Cordell Peterson, President, 104 Blackhawk Street, Reinbeck, IA, 50669, in the amount of \$957,080.95, and a second from Grimes Asphalt & Paving Corp., J.M. Younker, President, 12021 N.W. 54th Avenue, Grimes, IA, 50111, in the amount of \$1,097,222.40. The IDOT has rejected the bid from Peterson Contractors, Inc. because of Peterson Contractors, Inc.'s failure to make a good faith effort to reach the specified Disadvantage Business Enterprise (DBE) goal of 2.5% of the bid amount. Peterson Contractors, Inc. requested Administrative Reconsideration of its DBE participation that was denied by IDOT Staff. Therefore, since the bid submitted by Peterson Contractors, Inc. has been rejected by the IDOT, the bid no longer exists, and the City Engineer recommends acceptance of the only remaining bid from Grimes Asphalt & Paving Corp.

FISCAL IMPACT—

Sources of funding for the total combined bid of \$1,097,222.70 include: \$151,609.36 Federal STP Grant (Roll Call No. 01-3478 - \$192,200 max); \$304,404.59 - Iowa DNR REAP Grant (Roll Call No. 00-4515 - \$316,823.05 max); \$300,000.00 - Federal Recreation Trails Program Grant (Roll Call No. 01-1594 - \$300,000 max); \$303,052.22 - Federal STP Grant (Roll Call No. 01-2113 - \$773,000 max total for trail Segments 1, 3, and 4); and \$38,156.23 - City G.O. Bonds.

The anticipated total project cost of the project is \$1,675,000 and includes all consultant and engineering fees, surveying, right-of-way acquisition, design, construction and inspections. The City's contribution to the project is projected to be approximately \$616,000 (37% of total project cost). The City's contribution is funded from the Capital Improvement Program (CIP), CP040, PKS990000, PKS045. Approximately \$479,000 of this amount has been spent to date.

RECOMMENDATION—

Approval

BACKGROUND—

Since the master plan for the Walnut Creek Trail System was completed in September of 1998, many circumstances have caused the trail alignment to change, resulting in significant delays in the start of trail construction. The City Council approved a professional services agreement with Brian Clark & Associates for trail design. On September 13, 2004 by Roll Call No. 04-1879 the Des Moines City Council approved the final alignment of Phases 1A, 1B and Segments 1 and 2. These segments of trail of start at Center Street in Windsor Heights and end at North Valley Drive in Des Moines. (Please see attached maps of these segments and Segments 3 and 4). On October 10, 2005 by Roll Call No. 05-2422 the Des Moines City Council approved the ordering of construction and fixing a date for receiving bids of October 18, 2005 for the Combined Walnut Creek Trail – Phases 1A and 1B and the American Discovery Trail – Segments 1 and 2.

There were two bids received for construction of these trail segments:

- Peterson Contractors Inc. \$957,080.95
- Grimes Asphalt & Paving \$1,097,222.70

The consultant's estimated construction cost for all segments was \$806,656.55. This estimate was prepared in July to comply with the Iowa DOT's schedule for bid lettings. Since that time, increasing energy prices have impacted the construction industry, resulting in escalating construction costs. Respectively, the two received bids were 20% and 37% over the original estimated construction cost. The low bid submitted by Peterson Contractors, Inc. was rejected by the Iowa Department of Transportation because of the lack of good faith effort to reach the required Disadvantage Business Enterprise (DBE) goals. As a result the Grimes Asphalt & Paving bid was the only remaining bid.

Because the bid was 37% higher than the original construction estimate, the Parks & Recreation and Engineering Departments performed an analysis of the available funding to determine the additional fiscal impact to the City's GO Bond contribution. The City will be able to offset the increase by maximizing the use of available grants for these trail segments, but as a result, the City's GO Bond contribution for construction of these segments of trail increased \$11,820.77 from \$26,335.46 to \$38,156.23.

Staff recommends acceptance of Grimes Asphalt and Paving's current bid of \$1,097,222.40

Attached is a table that illustrates changes due to the increased bid.

	Estimated Construction Cost	Low Bid - Grimes
Phase 1A Totals	\$ 134,812.50	\$ 189,511.70
IDOT Funding	\$ 107,850.00	\$ 151,609.36
IDNR Funding	\$ 19,090.84	\$ 27,944.61
City GO Bonds	\$ 7,871.66	\$ 9,957.73
Phase 1B Totals	\$ 352,282.50	\$ 439,172.00
IDOT Funding	\$ 281,826.00	\$ 300,000.00
IDNR Funding	\$ 70,456.50	\$ 139,172.00
City GO Bonds	\$ -	\$ -
Segment 1 Totals	\$ 289,721.75	\$ 432,931.75
IDOT Funding	\$ 202,805.22	\$ 303,052.22
IDNR Funding	\$ 68,452.73	\$ 101,681.03
City Go Bonds	\$ 18,463.80	\$ 28,198.50
Segment 2 Totals	\$ 29,839.80	\$ 35,606.95
IDNR Funding	\$ 29,839.80	\$ 35,606.95
City GO Bonds	\$ -	\$ -
Total Cost All Segments	\$ 806,656.55	\$ 1,097,222.40
City GO Bonds for Construction	\$ 26,335.46	\$ 38,156.23

