



## **Request for City Council Committee Action From the Department of Public Works**

**Date:** December 8, 2009

**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

**Referral:** Honorable Paul Ostrow, Chair Ways & Means Committee

**Subject:** **Contract Amendments – Design and Construction Services for the Hiawatha Maintenance Facility**

### **Recommendation:**

- a) The proper City officers are authorized to execute Amendment No. 2 to Contract No. C-24862, with RSP Architects. The total amount of Amendment No. 2 is \$149,000. Therefore, the current contract amount of \$1,075,000 would be increased for a revised contract amount of \$1,224,000. The original Project Budget (Fund 04100 9010923 513007 CPSD0208300), is adequate for Contract Amendment No. 2 and therefore no additional appropriation is required.
- b) Transfer \$166,000 from the Storm Water Design Fund (07300-6300200-600096063) to the Hiawatha Maintenance Facility Project (04100-9010923-CPSD0208). Approve an increase to the appropriation for the Hiawatha Maintenance Facility Project (04100-9010923-CPSD0208) by \$166,000 and increase the revenue account (Account 3455) by \$166,000. This revenue shall be used to cover expenses related to the completion of design and build-out of the second floor of the Hiawatha Maintenance Facility Project in order to provide finished space for the Surface Water and Sewers engineering group as recommended herein. Approve a decrease in the appropriation for the Storm Water Design Fund (07300-6300200-600096063) by \$166,000.
- c) The proper City officers are authorized to execute Amendment No. 3 to Contract No. C-24862, with RSP Architects. The total amount of Amendment No. 3 is \$51,000. Therefore, the contract amount of \$1,224,000 would be increased for a revised contract amount of \$1,275,000. The amended Project Budget (04100-9010923-CPSD0208) will be adequate for Contract Amendment #3.
- d) The proper City officers are authorized to execute Change Order No. 3 to Contract No. C-26655, with Knutson Construction Services, Inc. The total amount of Change Order No. 3 is \$238,500. Therefore, the current contract amount of \$10,366,370 would be increased for a revised contract amount of \$10,604,870. The amended Project Budget (04100-9010923-CPSD0208) will be adequate for Change Order No. 3.

### **Previous Directives:**

- August 28, 2009: City Council and Mayor authorized approval and execution of Amendment No. 1 to Contract No. C-24862 with RSP Architects for a revised contract amount of \$1,075,000.
- August 28, 2009: City Council and Mayor authorized approval and execution of Change Orders No. 1 and No. 2 to Contract No. C-26655 with Knutson Construction Services, Inc. for a revised contract amount of \$10,366,370.

- March 6th, 2009: Resolution 2009R-087, City Council and Mayor granted approval of bids for OP# 7057, low bid of Knutson Construction Services, Inc. in the amount of \$9,868,000.
- June 29, 2007 - Authorized the proper City officials to negotiate and execute an Architectural and Engineering Design Services Agreement with RSP Architects for the Hiawatha Maintenance Facility the amount not to exceed \$975,000.

**Prepared by:** Paul Miller, Sr. Project Manager (673-3603)

**Approved by:**

\_\_\_\_\_  
Steven A. Kotke, P.E., City Engineer, Director of Public Works

**Presenters:** Paul Miller, Sr. Project Manager (673-3603)

**Reviews**

Permanent Review Committee (PRC): Approval NA Date \_\_\_\_\_  
 Civil Rights Approval Approval NA Date \_\_\_\_\_  
 Policy Review Group (PRG): Approval NA Date \_\_\_\_\_

**Financial Impact**

Action requires an appropriation increase to the Capital Budget or Operating Budget

Dept Name: 9010923  
 Fund Name: 04100  
 Project Name (if capital budget): Hiawatha Maintenance Facility  
 Amount: \$166,000

Action provides increased revenue for appropriation increase

Dept Name: 9010923  
 Fund Name: 04100  
 Project Name (if capital budget): Hiawatha Maintenance Facility  
 Amount: \$166,000

**Community Impact**

Neighborhood Notification: NA  
 City Goals: A SAFE PLACE TO CALL HOME: the city's infrastructure will be well-maintained, people will feel safe in the city.  
 Comprehensive Plan: NA  
 Zoning Code: NA

**Background/Supporting Information**

The City of Minneapolis entered into a contract with RSP Architects for the design and Knutson Construction Services Inc. for the construction of the Hiawatha Maintenance Facility located at E. 26<sup>th</sup> Street and Hiawatha Ave. S. Since that time, construction has proceeded; the project is tracking on budget and is scheduled for completion in May of 2010.

RSP Architects Amendment No. 2

RSP Architects (RSP) has performed other additional design services (due to existing site conditions) that were not included in the original scope of work, including: structural design modifications to the Sewer building (foundation, second floor, and roofing support), and civil engineering design modifications to the storm drain retention structures. The total cost for these additional design services is \$34,000.

Additionally, In order to maximize the potential utilization of the site and proposed buildings, PW staff requested that RSP Architects provide additional consulting services to assist in preliminary planning, programming, and designs related to potential future additions to the new facility. These future additions included office space (2<sup>nd</sup> Floor of the renovated space) for various Public Works engineering groups including Surface Water and Sewers and the relocation of the Water Treatment and Distribution Division's construction and maintenance operations (future addition of maintenance bays) currently located at 825 East Hennepin Avenue.

As a result of this additional design work, numerous building components were included in the final design and current construction of the Hiawatha Maintenance Facility that allows for the future construction of additions easily and economically. The total cost for these design services is \$115,000.

Therefore, the total cost for additional design services for Amendment No. 2 is \$149,000.

### RSP Amendment No. 3 and Knutson Construction Change Order No. 3

Public Works staff would like to proceed with finalizing design and completing the build-out of the 2<sup>nd</sup> Floor office space and have it ready for occupancy. Design services related to completing the design and administering construction will require additional fees of \$51,000 for RSP Architects. To proceed with the construction build-out an additional \$238,500 will be required to cover the costs of the general contractor, Knutson Constructions Services. Specifically, the work includes installation of HVAC systems and ductwork, installation of electrical systems and lighting.

### **Recommendation**

Public Works staff requests authorization for the proper City officers to:

- a) Execute Amendment No. 2 to Contract No. C-24862, with RSP Architects. The total amount of Amendment No. 2 is \$149,000. Therefore, the current contract amount of \$1,075,000 would be increased for a revised contract amount of \$1,224,000. The original Project Budget (Fund 04100 9010923 513007 CPSD0208300), is adequate for Contract Amendment No. 2 and therefore no additional appropriation is required.
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- c) Execute Amendment No. 3 to Contract No. C-24862, with RSP Architects. The total amount of Amendment No. 3 is \$51,000. Therefore, the contract amount of \$1,224,000 would be increased for a revised contract amount of \$1,275,000. The amended Project Budget (04100-9010923-CPSD0208) will be adequate for Contract Amendment No. 3.
- d) Execute Change Order No. 3 to Contract No. C-26655, with Knutson Construction Services, Inc. The total amount of Change Order No. 3 is \$238,500. Therefore, the current contract amount of \$10,366,370 would be increased for a revised contract amount of \$10,604,870. The amended Project Budget (04100-9010923-CPSD0208) will be adequate for Change Order No. 3.