

City of Hays
City Commission
Work Session Notes

Thursday, April 16, 2020 – 6:30 p.m.

Present: Shaun Musil, Sandy Jacobs, Mason Ruder, Michael Berges, Ron Mellick, Toby Dougherty, and Kim Rupp

City Attorney, John T. Bird, joined the meeting by phone.

April 2, 2020 Work Session Notes

There were no corrections or additions to the minutes of the work session held on April 2, 2020; the minutes stand approved as presented.

North Vine Street Corridor Project – Authority to Award Contract and Commitment of Funds

John Braun, Project Manager, stated since December 2015, City staff has been working on the development of a project to improve Vine Street from 32nd Street to the 41st and Mopar intersection. The project will improve pavement, curb and gutter, sidewalk, storm sewer, water mains, signage, pavement markings, street lighting, and pedestrian signals associated with the reconstruction of approximately 3,400 linear feet of Vine Street (US 183). The project includes four new, two-lane roundabouts; one at the intersections of 32nd Street and 33rd Street, a second at the intersection of 37th Street, a third at the eastbound I-70 ramps, and the fourth at the intersection of 41st Street and Mopar Drive. The project will also reconstruct the west frontage road, connect West 37th Street to Skyline Drive, extend Skyline Drive to West 41st Street, integrate a shared use path on the west side of Vine Street, and upgrade pedestrian crossings.

Construction will begin in May and run through two construction seasons, with completion occurring in the fall of 2021.

Bids for the construction of the North Vine Street Corridor Project were opened by Kansas Department of Transportation (KDOT) in Topeka, Kansas on March 25, 2020. All bids were reviewed by KDOT, the City's engineering consultant, and City staff. The low bid is higher than both the engineer's estimate of \$8,463,336 and KDOT's estimate of \$8,152,118. The high bids are mainly attributed to the current economic situation caused by the COVID-19 pandemic.

The low bid was from Smoky Hill, LLC of Salina, Kansas in the amount of \$11,915,287. The bid from Smoky Hill, LLC combined with \$1.2M for construction engineering, totals \$13.1M. Subtracting out the \$6M BUILD Grant leaves the City's share at \$7.1M.

KDOT has provided a resolution authorizing the award of bid and commitment of City funds in the amount of \$7,111,000. The City is able to cover the higher than estimated cost of construction, and believes it is best to accept the low bid and move forward with the project.

Commissioner Berges suggested rejecting the bids and rebidding the project this fall. He can't reconcile accepting bids 30% higher than estimates without having a better understanding of where these increases have come from. He stated that for five years City Commissioners, City staff, architects, engineers, KDOT, and federal people have analyzed this project and it is not acceptable that there would be this kind of surprise and to not have a firm understanding of what this should cost. He feels that in these times of economic uncertainty we may get more competitive bids in the fall as construction companies are looking for jobs.

Commissioner Ruder asked if staff has any concerns with the current design of this project. Toby Dougherty, City Manager, stated they are very comfortable with the design.

Vice-Mayor Jacobs spoke in favor of the current design and stated this is the most viable solution. She added that the current configuration on the North Vine Corridor is dangerous and detrimental to development of this corridor. She noted that this improvement can be done with no tax increase to our citizens. We

have identified how to pay for this even with the new dollar figure and for that she thanks City staff for their ability to budget for today and for the future.

Mayor Musil stated he appreciates all of the comments and suggestions they have received. He added that he supports this project and feels this will be good for the community and our future.

At the April 23, 2020 Commission meeting, Commissioners will be asked to authorize the Mayor to sign the resolution from KDOT authorizing the commitment of City funds and awarding a contract to Smoky Hill Construction for the North Vine Street Corridor Project. The City share to be paid to KDOT is \$7,111,000 from the Capital Projects Fund.

North Vine Street Corridor Project – Construction Engineering Services

John Braun, Project Manager, stated the North Vine Street Corridor Project is funded in part by a BUILD Grant from the US Department of Transportation and is being administered through KDOT. The project needs to be inspected by an engineering firm pre-qualified by KDOT to inspect state and federal projects. Firms on KDOT's prequalified list were solicited and Kirkham Michael was the only firm that submitted a proposal. The proposal was reviewed by City staff, and Kirkham Michael was found to be qualified to accomplish the required services. Kirkham Michael's initial scope and fee submittal was in the amount of \$1.6M. That proposal was reviewed by City and KDOT staff and rejected. Subsequently, a revised scope and fee was negotiated in the amount of \$1,246,225, which is in line with typical construction engineering fees for similar projects at slightly more than 10% of the construction cost.

Commissioner Mellick asked who the engineers report to should they have concerns. Mr. Braun stated the engineers report directly to KDOT; however, during previous projects involving federal funds, he was very involved. He assured the Commissioners that as Project Manager he would be involved in all of the weekly construction meetings and correspondence that occurs.

Mayor Musil asked the City Manager to explain why it would not be in the best interest of the community to do only the 32nd and 33rd Street roundabouts.

Toby Dougherty, City Manager, stated if you only did the 32nd and 33rd Street roundabouts you would create more problems further up in the corridor. He added that it would actually be making the properties on the east side of Vine Street less viable by creating more congestion and accident points there. He also noted that if you change the scope of the project that significantly, you would probably lose the BUILD grant monies.

Mayor Musil stated he has been asked by citizens how the City has the money to handle this 30% increase in costs. Mr. Dougherty stated when the City began discussing the North Vine Street Corridor Project; they had planned to pay for the initial \$7.6 M project themselves with Transient Guest Tax funds and with the utilization of water, sewer, and stormwater funds paying for their respective shares. Going into this project the City was prepared to pay for it in-house, so adequate revenues exist to fund the increased project cost.

At the April 23, 2020 Commission meeting, Commissioners will be asked to authorize the City Manager to sign the Work Estimate Form from Kirkham Michael for construction engineering services related to the construction of the North Vine Street Corridor Project.

Other Items for Discussion

Commissioner Mellick encouraged everyone to continue to follow the Center for Disease Control (CDC) and State guidelines and we will get through this.

Commissioner Berges echoed those thoughts. He also encouraged everyone to support local businesses and charities if you can.

Commissioner Ruder added that in regards to the roundabout project he believes everyone here is looking at this as seriously as humanly possible and getting as much information from as many different sources as they can. He emphasized that they will make the decision they believe is best for the City of Hays.

Vice-Mayor Jacobs reminded everyone that they have been looking for solutions to the North Vine Street Project for a long time and in her opinion this is

the best idea that has been brought forward. She hates that we are paying more money for it, but strongly believes it is the right thing to do. She also thanked the community for continuing social distancing and staying home.

Mayor Musil agreed and stated he appreciates everyone that is working together, supporting each other, and adapting to the changes due to the corona virus. He also thanked the Hays Daily News and Hays Post for getting information out to the public.

The work session was adjourned at 7:04 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk