

Meeting Date: September 21, 2016

AGENDA MEMORANDUM

To: Parks and Recreation Commission Members and Staff

From: Jeff Smullen, Assistant Director of Parks and Recreation

Title: Recommendation of support for a contract with Mortenson Construction for the construction of Festival Park

Executive Summary

Four General Contractors, Mortenson, MW Golden Constructors, Rocky Mountain Excavating and White Construction submitted bids for the Festival Park Construction project on September 13, 2016. The table below includes construction cost and related costs required to complete the project.

	Mortenson	MW Golden	RME	White
BID CONSTRUCTION GRAND TOTAL	\$5,817,192	\$6,953,381	\$7,814,234	\$9,648,227
CONSTRUCTION SOFT COSTS				
Materials Testing (Ground Engineering)	\$30,000	\$30,000	\$30,000	\$30,000
Permit & System Development Fees (Allowance)	\$100,000	\$100,000	\$100,000	\$100,000
Dry Utility Relocations (IREA, Comcast, CenturyLink, Black Hills)	\$53,000	\$53,000	\$53,000	\$53,000
Design Contingency (Held by TOCR) - 5%	\$290,860	\$347,669	\$390,712	\$482,411
Town Hall Sidewalk Tie-In	\$100,000	\$100,000	\$100,000	\$100,000
CONSTRUCTION SOFT COSTS SUBTOTAL	\$573,860	\$630,669	\$673,712	\$765,411
PROJECT BUDGET	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000
TOTAL PROJECT COSTS	\$6,391,052	\$7,584,030	\$8,487,946	\$10,413,638
ADDITIONAL FUNDING NEEDED TO COMPLETE THE PROJECT	\$1,891,052	\$3,084,049	\$3,987,946	\$5,913,638

Mortenson Construction is the apparent low-bidder for Festival Park. Mortenson has experience throughout the State of Colorado with current projects ranging \$8 million to \$520 million. The next closest bid provided by MW Golden Constructors was \$1,136,189 higher than Mortenson's bid price of \$5,817,192. The low bid combined with related project soft costs results in the total construction cost of \$6,391,052. The low bid provides a significant value to the Town of Castle Rock; however, the cost to complete the project exceeds the \$4,500,000 in funds currently available by \$1,891,052.

The following funds have contributed \$4,500,000 to the project budget:

Conservation Trust Fund	\$ 950,000
DDA TIF Fund debt capacity	\$2,500,000
Parks Capital Fund	\$ 300,000
General Long Term Planning Fund	\$ 500,000
Stormwater Fund Contribution	\$ 250,000

Staff presented bid results to the Downtown Development Authority (DDA) on Thursday September 15, 2016. The DDA discussed the potential to share costs between the DDA and the Town to close the funding gap and has scheduled a special meeting the week of September 19, to determine if they will allocate additional funding to the project and how much is available. Town staff will provide information related to additional funds through the various sources currently allocated for the project at the October 18, 2016 Town Council meeting, where a construction contract between the Town of Castle Rock and Mortenson Construction will be presented.

Staff Recommendation

To recommend that Parks and Recreation Commission make a recommendation to Town Council to allocate the funding necessary to complete the project as designed and to support a construction contract with Mortenson Construction for the Festival Park project.

Proposed Motion

"I move to endorse a construction contract with Mortenson Construction for the Festival Park project with the priority being to pursue a fifty-fifty funding split scenario with the DDA to cover the \$1,891,052 exceeding the original projected cost."