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**WAYZATA CITY COUNCIL  
SPECIAL MEETING MINUTES  
February 27, 2020**

**AGENDA ITEM 1. Call to Order.**

Mayor Pro Tem McCarthy called the special meeting to order at 7:00 p.m.

**AGENDA ITEM 2. Pledge of Allegiance.**

**AGENDA ITEM 3. Roll Call.**

Council Members present: Buchanan, Koch, and Plechash. Also present: City Manager Dahl, Public Works Director/City Engineer Kelly, and Acting City Attorney Pratt.

**AGENDA ITEM 4. Approve Agenda.**

Mr. Plechash made a motion, seconded by Mr. Buchanan, to approve the agenda, as presented. The motion carried 4/0.

**AGENDA ITEM 5. Public Forum.**

There were no comments.

**AGENDA ITEM 6. New Business.**

**a. Consider Awarding of Bids and Change Order for Phase 1 of Panoway on Wayzata Bay – Construction of Lake Street, Lake Street Plaza, and the Dakota Rail Regional Trail**

Mr. Dahl shared the action requested, to award or reject eight separate contracts and approve change orders. He invited Mr. Kelly to present.

Mr. Kelly presented the background, a summary of bids, the recommended savings and assumptions, and bid alternates nos. one and three for site concrete. Mr. Dahl added Civitas was supportive of the two alternates. With the savings and assumptions, the all-in construction cost was \$9,190,061 which was 1.5% higher than the estimated cost.

Mr. Buchanan asked about electrical and asphalt. Mr. Dahl answered the original budgeted amount was assumed for cost. Mr. Kelly explained Stahl expected three or four bids, but was unsure why none were received. Mr. Buchanan mentioned that he was uncomfortable with the low contingency fund. Mr. Kelly said the bids were maximum lump sum numbers.

Mr. Plechash asked if the original intent to not use asphalt was due to a safety concern. Mr. Kelly said it was not safety, but to make the premiere area stand out.

Mr. Koch asked if staff was pleased with the work New Look Contracting did on the Wayzata Boulevard/Superior Boulevard intersection. Mr. Kelly said yes, he was comfortable with their work. Mr. Koch asked if the bids addressed completion timeframe. Mr. Kelly said yes, Stahl was very specific concerning work scope. Mr. Koch asked if there would be maintenance or replacement concerns for the broom finish over the sand finish. Mr. Kelly said the broom finish was easier to match in his opinion.

Mrs. McCarthy asked if staff was asking Council to approve the change order for the rebid at this time. Mr. Kelly said no, staff was unsure if the contractor was willing to do the work.

1 Mr. Koch asked for the estimates for asphalt and electrical. Mr. Kelly said  
2 approximately \$390,000 and \$1.28 million respectively.

3 Mr. Buchanan asked if the asphalt bike path continued the whole length of Lake  
4 Street. Mr. Kelly explained it was currently designed to be asphalt from Ferndale Road to  
5 Walker Avenue and then change to colored concrete with mica from Walker Avenue to  
6 Broadway Avenue. He went on to say the sidewalk by the water feature was proposed as  
7 colored concrete with mica and staff did not feel the cost savings was worth it especially  
8 since the goal was for that area to stand out.

9  
10 Mrs. McCarthy invited those from the audience who wished to speak to come forward.

11 Stacy Carisch, Marquee Place, asked if the lack of asphalt bids would delay the  
12 start. Mr. Dahl answered it should not delay the start. Ms. Carisch asked if the public had  
13 access to the bid documents. Mr. Dahl said the documents were on the City's website. Ms.  
14 Carisch noted the sidewalks were already different to the east and west. She asked if the  
15 brushed concrete would be different than both of the current sidewalks. Mr. Kelly  
16 explained the sidewalks in front of the 300 – 600 block would all be replaced and all have  
17 the broom finish. Ms. Carisch concluded that she had a lot of concern over various parts  
18 of the project, but was very interested in getting the sidewalks completed as soon as  
19 possible. She then shared a letter from Terri Hummel, Gianni's Steakhouse. The letter  
20 addressed waiving liquor licenses and the City fully funding valet.

21 Mr. Dahl said the City was working with valet companies on some ideas and would  
22 work with businesses to identify the best location. He added, based on the Council's last  
23 workshop, the City was going to fund all or a majority of the valet. Mrs. McCarthy added  
24 that during the workshop, money was identified to fund some initiatives for business  
25 disruption. She asked Mr. Dahl to talk about the conversation concerning liquor license  
26 renewals. Mr. Dahl said liquor licenses and a number of other fees were discussed. It was  
27 complicated because there were legal ramifications, precedents, and costs. At a minimum,  
28 the City would delay receipt of fees until the end of the year. Mrs. McCarthy said \$200,000  
29 was put aside to help mitigate business disruption and the conversation would be ongoing.

30 Barry Petit, 420 Peavey Lane, was glad that finally the brick sidewalks were being  
31 replaced. He recommended a 3% contingency for new construction and 5% for  
32 remodeling. He asked how much Three Rivers Park District was contributing. Mr. Dahl  
33 said \$1.4 million. Mr. Petit commented that \$300,000 for asphalt would not cut it and was  
34 displeased with New Look Contracting's work on the intersection. He said the original all-  
35 in cost was \$5.8 million and now the cost was double. He said someone should be held  
36 responsible and was disappointed.

37 Mrs. McCarthy asked Mr. Dahl to comment on the process getting here. Mr. Dahl  
38 said staff did not have the help it needed when it went through the budgeting process the  
39 first time. The biggest challenge was planning to complete the project over two seasons.  
40 The cost estimate was not accurate and he took responsibility for that. He explained that  
41 this time they had taken the time to hire a construction manager who was able to manage  
42 the project, take the burden off staff, and reduce the cost by almost \$2.5 million. He agreed  
43 that staff did not start on a good foot, but was happy with the current project.

44 Andrew Mullin, 315 Barry Avenue, commended the Council and staff for the effort  
45 over the years to keep the project on track and moving forward. He acknowledged that  
46 there had been mistakes, but believed the City had held true to what was laid out nine years

1 ago. The scope had changed based on desires of the community. The state of Minnesota,  
2 Three Rivers Park District, commercial land owners and individuals had all donated toward  
3 the project because of its value. As the Chair of the Wayzata Conservancy, a resident and  
4 a business owner, he said thank you for your commitment.

5 Dan Gustafson, 1040 E Circle Drive, said he was here nine years ago, during the  
6 debate, and the whole time. He remained cautiously supportive of the project, but was  
7 concerned that the community had asked to not use tax dollars and that had changed. He  
8 also expressed concerned that Mr. Mullin had not reported to the City how much money  
9 was raised privately.

10 Mrs. McCarthy said the project north of the tracks was always planned to be funded  
11 by the City. The project south of the tracks would be accomplished through private  
12 funding. She asked if that had changed. Mr. Dahl said no, everything south of the tracks  
13 would be funded through a combination of private and other public funds. Mr. Koch added  
14 the levy had not increased to pay for any of the project. He agreed the scope had changed,  
15 but said other funding sources had been identified to pay for it.

16 Mr. Mullin said there was a 990 on file and everything that had been raised or spent  
17 by the Conservancy was disclosed.

18  
19 McCarthy brought it back to the Council for discussion.

20 Mr. Koch was pleased with the bids and the concessions to reduce the cost. He was  
21 okay with reducing the contingency because the City had maximum cost for the bids. He  
22 appreciated Stahl's efforts and the value they brought. He asked them to hold the timeline  
23 as much as they could control. He added there was some work to do with the businesses  
24 to limit the impact and wanted to take whatever measures the Council could.

25 Mr. Buchanan agreed with Mr. Koch. He thought the best decision was hiring Stahl  
26 and was supportive of staff's recommendations. He was a little uncomfortable with the  
27 contingency.

28 Mr. Plechash was in favor, but also expressed concern over the contingency. He  
29 said the Council would hold staff accountable. He also said staff had been held accountable  
30 for past mistakes and thought it was unfair to talk about the \$5.8 million because it was not  
31 a good comparison. He said the project was never meant to be free to the public.

32 Mrs. McCarthy agreed with her colleagues. She shared the sentiments concerning  
33 Stahl and echoed the concerns of the businesses. She was also concerned about the  
34 contingency. She said this was a big, years in the making step for the community.

35 Mr. Dahl asked if Stahl Construction could address the contingency. Wayne Stahl,  
36 Stahl Construction, explained the contingency fee was meant to be a construction  
37 contingency. Scopes had been prepared to cover all of the work. There could be omissions  
38 and the contingency was to cover those. He thought the \$100,000 was appropriate. The  
39 other type of contingency was for unforeseen conditions or scope changes. He said neither  
40 of those were likely.

41 Mrs. McCarthy asked about unforeseen conditions such as the water table being  
42 high. Mr. Stahl explained the cost included \$250,000 for dewatering.

43 Mrs. McCarthy asked for a motion. Mr. Buchanan made a motion, seconded by  
44 Mr. Koch, to accept the Cast-in-Place Concrete bid and award the contract to Kellehr  
45 Construction, Inc. in the amount of \$282,473 and authorize staff and Mayor to execute.  
46 The motion carried 4/0.

1 Mr. Koch made a motion, seconded by Mr. Buchanan, to accept the Architectural  
2 Precast and Masonry bid and award the contract to Hollenback & Nelson, Inc. in the  
3 amount of \$383,500 and authorize staff and Mayor to execute.

4 The motion carried 4/0.

5 Mr. Plechash made a motion, seconded by Mr. Buchanan, to accept the Metals bid  
6 and award the contract to Metro Manufacturing in the amount of \$236,917 and authorize  
7 staff and Mayor to execute.

8 The motion carried 4/0.

9 Mr. Buchanan made a motion, seconded by Mr. Plechash, to reject all Electrical  
10 bids and authorize staff and Stahl to rebid this work scope.

11 The motion carried 4/0.

12 Mr. Koch made a motion, seconded by Mr. Plechash, to accept the Earthwork and  
13 Utilities bid and award the contract to New Look Contracting, Inc. in the amount of  
14 \$2,839,000 and authorize staff and Mayor to execute.

15 The motion carried 4/0.

16 Mr. Plechash made a motion, seconded by Mr. Koch, to authorize staff and Stahl  
17 to rebid the Asphalt Paving work scope or consider adding this work as a change order.

18 The motion carried 4/0.

19 Mr. Buchanan made a motion, seconded by Mr. Koch, to accept the Site Concrete  
20 bid and award the contract to Curb Masters in the amount of \$2,165,875.70; to accept  
21 Alternates 1 and 3; and, to authorize staff and Mayor to execute.

22 The motion carried 4/0.

23 Mr. Koch made a motion, seconded by Mr. Plechash, to accept the Landscaping  
24 and Irrigation bid and award the contract to Greenscape Companies, Inc. in the amount of  
25 \$529,600 and authorize staff and Mayor to execute.

26 The motion carried 4/0.

27 Mr. Plechash made a motion, seconded by Mr. Koch, to approve Change Order No.  
28 1 with New Lock Contracting, Inc. for a savings of \$250,000 related to Earthwork and  
29 Utilities.

30 The motion carried 4/0.

31  
32 Mr. Dahl said the next steps were to rebid the remaining contracts, work to prepare  
33 financial documents, and continue working with businesses to solidify a plan to mitigate  
34 disruption. An open house would be held with property and business owners along Lake  
35 Street in the project area. Also, a broader communication plan would be launched.

36 Mrs. McCarthy asked about the resolution extending work hours. Mr. Dahl said  
37 yes, it would come before the Council at the next Council meeting.

38 Mr. Plechash agreed with an earlier statement that the pain the business owners  
39 suffered was more real. He said the Council was going to continue to work to find relief  
40 for the businesses.

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42 **AGENDA ITEM 7. Public Forum Continued (if necessary).**

43 There were no comments.

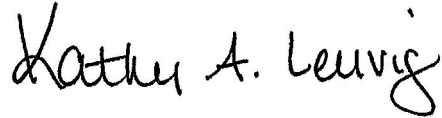
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1 **AGENDA ITEM 8. Adjournment.**

2 There being no further business, Mayor Willcox asked for a motion to adjourn. Mr.  
3 Buchanan made a motion, seconded by Mr. Koch to adjourn. Mayor Willcox adjourned  
4 the special meeting at 8:18  
5 p.m.

6  
7 Respectfully submitted,

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9



10  
11 Kathy Leervig  
12 City Clerk

13  
14 Drafted by Sarah Peterson  
15 *TimeSaver Off Site Secretarial, Inc.*