



CITY COUNCIL WORK SESSION
Tuesday, January 21, 2025 - 10:00 AM
City Council Chambers, Elks Civic Building - 107 S. Cascade Ave.

Public participation for this meeting will be in person in the City Council Chambers. The meeting can be [viewed online via livestream](#) and video recordings of the meetings can be viewed on our [YouTube page](#).

Hearing assistance devices are available for public use. Please let us know if you need accommodation. The City also offers interpretation for Spanish speakers. Schedule time to book this resource, by [emailing the City](#) at least 3 days before the meeting.

1) INTRODUCTION OF NEW CITY EMPLOYEES

Mandy Kizer - Operations Assistant
Mercedes Hickert - Utilities Division Worker
Mike Steffes - Professional Development Manager

2) DISCUSSION ITEMS

- A) Public Works Facility Project CMGC Contract Award Recommendation (20 minutes)
Staff: Public Works Director Jim Scheid
- B) Public Works Facility Project Program Management Contract Award Recommendation (15 minutes)
Staff: Public Works Director Jim Scheid
- C) Installation of New Drive Equipment for No. 1 Clarifier at the Wastewater Treatment Plant (15 minutes)
Staff: Utilities Director David Bries
- D) West Main Revitalization Construction Contract Award (15 minutes)
Staff: City Engineer Scott Murphy



3) GENERAL CITY COUNCIL DISCUSSION

4) STAFF COMMENTS

CONTRACT AWARD RECOMMENDATION



TO: Honorable Mayor and Montrose City Council
FROM: Jim Scheid, Public Works Director

DATE: January 18, 2024
RE: Public Works Facility Project CMGC Contract Award
CC: William Bell, Ann Morgenthauer, Shani Wittenberg

Recommendation

Consider for approval the award of a contract to FCI Constructors, Inc. for the Construction Management – General Contractor (CMGC) services in the amount of \$150,000 for the Public Works Facility Construction Project.

Background

Public Works Facility:

Since 2016, City staff have been focused on the long-term planning and design of a new public works facility. The current facility, located at 1221 6450 Road, was constructed in the 1960s and is now beyond its useful life. Its layout and infrastructure no longer support the department's current operational requirements. Among the primary issues are inadequate space for both shop and administrative staff, limited accessibility for individuals with disabilities, insufficient restroom capacity, structural concerns with the building, potential environmental hazards like asbestos and lead, a lack of heated storage for vehicles sensitive to cold temperatures (such as vacuums, sweepers, and water trucks), a subpar wash bay, poor traffic flow within the site, inadequate separation between the public and operational areas, and the absence of proper stormwater management for water quality and quantity, including for wash bay runoff.

Planning efforts for a new facility indicated that the existing site would not be large enough for the long-term growth needs of the public works department. The site shown here in orange

<https://tinyurl.com/RioGrandeOverview> has been recently purchased for this purpose. The site is ideal for the new public works facility given its central location, large size, and fit with the surrounding area (surrounded by similar operational campuses for the BLM, USFS, BOR, WAPA, and Tri-State).

The City wishes to create a public works facility that accommodates both existing and anticipated operational needs into the foreseeable future. The site layout and building spaces will be situated and constructed such that future expansions (additional storage, shop space, office space, etc.) can be readily accommodated when the need arises 30+ years into the future.

Public Works operations are critical to the overall function of the community, especially in the event of an emergency or natural disaster. To that end, the facility will be designed and constructed with an eye towards durability, resiliency, emergency preparedness, and with an elevated importance factor for building loads and floodplain protection.

In order to promote safety for both the public and for employee operations, the City would like the public works facility to maintain separation between the two without overlap (i.e., public traffic is separate from employee work areas and traffic circulation). For public that visit the site, the intent is for them to have a safe, easy-to-navigate, and welcoming experience. The project is also designed to ensure all public-facing elements are aesthetically pleasing and integrate well with the surrounding area.

Rio Grande Ave Extension:

To accommodate future traffic growth, the City's comprehensive plan envisions the eventual extension of Rio Grande Avenue as a minor arterial, connecting East Oak Grove Road to the River Landing commercial area, as outlined here: <https://tinyurl.com/RioGrandeOverview>. In pursuit of this goal, the City has been working to acquire the necessary rights of way across four parcels of land. Over the past six years, in collaboration with landowners, the City has successfully secured the required rights of way. The final parcel, located at the northern end of the alignment, is part of the site designated for the new Public Works Facility.

The initial phase of the project will include the construction of the facility, the roundabout at Oak Grove Road and Rio Grande Avenue, and the first section of the Rio Grande extension up to the facility entrance. The remaining road sections and roundabouts that will eventually link Rio Grande Avenue to the River Landing area will be handled as a separate project, with alternative funding sources to be explored. The City plans to investigate and apply for grant funding for this phase of the project.

Normally, architectural facility/site design is separate from civil road design. In the case of this project, the Public Works Facility design and the Rio Grande Ave Extension design have been combined into one design project. This is because of how interdependent the two projects are on each other, meaning that the design of one will impact the design of the other. To keep the design and construction schedules without conflict, it is most beneficial to keep both designs as one project. The construction of the Rio Grande Ave extension, Roundabout, and Utility Corridor will be packaged and bid out as a separate project that is meant to be completed during the time that the facility is under construction. This scope of work is not included in the construction cost estimates provided by the CM/GC candidates.

Design:

The Public Works Facility Project's background reaches back several years. The initial steps occurred in 2021 with a Space and Needs Assessment, which led to property evaluations and the purchase of property that would serve this facility and a road network extension in 2023. Then, the contract for the initiation of the formal design for this facility was presented to the City Council in March 2024.

The design of the new facility has been progressing as planned which has provided a level of design called Schematic Design (SD) for the facility and Construction Documents for the Irrigation Relocation and Site Fill Project which has been approved separately by City Council in January of 2025.

The Schematic Design (SD) was completed in October of 2024 and is a significant milestone because it allows for an early stage of cost estimating. Some of the documents from the Schematic Design can be found here: <https://tinyurl.com/MPWSSchematic> The remaining stages of design to be completed are Design Development and Construction Documents. These later stages are more intensive for the design teams, which is why the majority of the cost of the design remains to be expended.

Construction:

The City issued an RFQP for CMGC in October of 2024. The initial proposals requested were for qualifications of firms that wished to and were capable of performing an overall CMGC project of this scale. The proposals below were received;

CMGC Candidates	Location	Shortlist Scoring
SHAW Construction	Grand Junction, CO	97
FCI Constructors, Inc	Grand Junction, CO	95
JHL Constructors/Ridgway Valley Ent	Englewood, CO/Montrose, CO	88
Buildings By Design	Brush, CO	66

From these proposals the selection team shortlisted the top 3 firms: SHAW Construction, FCI Constructors, and JHL Constructors/Ridgway Valley Enterprises.

The Shortlisted firms were sent an additional request for proposals. The additional request included the Schematic Design Report, which allowed for the shortlisted firms to provide a detailed cost estimate on the facility. The estimates provided on the construction costs were not intended to be bids but to be complete and detailed cost estimates that the City could utilize to formulate a project budget. This project budget is the basis for an upcoming recommendation to the City Council for the COP borrowing for the construction of this facility. The shortlisted firms were requested to provide 1. SD Cost Estimate 2. General Conditions (GCs) 3. Contract comments 4. Interview to present team and cost estimate. The General Conditions (GCs) requested from the candidates are to be applied to the entire project and allow for a competitive environment for selection. The City considered several categories in this selection process.

Qualifications of the project team, the experience of the firm and the individuals on this project, team dynamics and fit, cost estimate level of professionalism and usefulness to the City, construction schedule approach, completeness of proposals received, and the hard costs proposed as GCs. The scoring matrix below shows the total scores after all the above categories were considered.

MPW CMGC RFP Scoring

Description	FCI	JHL/RVE	Shaw	NOTES:
Total Score	266	233	255	
Average Score	89	78	85	
Rank Based on Total Score	1	3	2	
1st Place Rankings	3	0	0	
2nd Place Rankings	0	0	3	
3rd Place Rankings	0	3	0	
Total Weighted Score	9	3	6	3 Points for each 1st place rank, 2 points for each 2nd place rank, etc.
Total Weighted Rank	1	3	2	

FCI Constructors, Inc. has been selected through this process and, if awarded, would begin work immediately with Pre-Con services in working with the City and the Design Team to generate the next level of design (Design Development (DD)) and the cost estimates that go with it. From the cost estimates generated from the DD, the Guaranteed Maximum Price (GMP) Construction Contract amount will be generated.

Project Budget:

As mentioned above, the City requested that each candidate perform a detailed cost estimate on the Schematic Design. This is an early stage of design but it is a stage from which a budget can be developed. The estimates received were all complete and professional, for this reason the City is using this estimate and stage of the project to develop a project budget.

Below is a breakdown of the anticipated budget for this project based on the SD Cost Estimates received.

Construction Costs	\$59,434,885.33
Owner Expenses	\$1,172,000.00
Design/Consultants	\$3,643,878.00
Contingency	\$8,320,883.95
Site Preparation	\$4,558,427.31
Total Project Costs	\$77,130,074.59

Construction Costs shown above are the average of the cost estimates received after accepting several VE options such as reductions to the heated storage buildings space, removal of site asphalt, and changing the mechanical systems.

The Owner Expenses shown above include many items such as owner-provided shop equipment, site equipment, furniture, AV equipment, IS Infrastructure, kitchen equipment, and more.

Design/Consultants shown above include the Design Team (Blythe) contract extension, Design Team Construction Administration, Construction Materials Testing, and Dynamic Program Management.

The project contingency is at 14% which is low for this stage of design, but we are comfortable with this amount due to the unique sequencing of the Site Fill and Irrigation Relocation Project currently underway.

Site Preparation costs shown above are the expenses approved for the Site Fill and Irrigation Relocation Project.

Net Financial Result

The initial contract amount for this contract is \$150,000. This is for the Pre-Con services that FCI will provide up to the time that a GMP Amendment to this contract is considered. The GMP Amendment will be for the construction portion of the project and will come before City Council as a Contract Amendment to this contract. This is anticipated to occur in August of 2025.

Funding for this project is proposed as part of the Certificate of Participation (COP) borrowing planned for the overall public works facility's implementation. Until this funding is secured (expected around July 2025), the Pre-Con services will be funded directly by the City using existing reserves. After closing on the borrowing, the COP funds may be utilized to repay funding that initially came from City's reserves.

CONTRACT AWARD RECOMMENDATION

TO: Honorable Mayor and Montrose City Council
FROM: Jim Scheid, Public Works Director

DATE: January 18, 2024
RE: Public Works Facility Project Program Management Contract Award
CC: William Bell, Ann Morgenthaler, Shani Wittenberg



Recommendation

Consider for approval the award of a contract with Dynamic Program Management (DPM) in the amount Not-to-Exceed \$100,000.00 for the Program Management Services for the Public Works Facility Construction Project.

Background

The City of Montrose oversees and manages all capital projects with in-house staff. In the scope of vertical construction, the City has used the Public Works Director as the project manager. For some of the large-scale projects like the Montrose Public Safety Complex, City Hall Renovation, and the Public Works Facility the City has utilized Dynamic Program Management (DPM) to assist with project management. DPM offers owners representative services and program management services to other municipalities and school districts on many other projects on the western slope of Colorado and brings with them an extensive knowledge and experience with projects similar to this one. DPM has also been through many projects of this scale from beginning through completion and brings with them the experience of navigating the many challenges that we are sure to encounter.

The City's main point of contact for the project is Reilly O'Brien and he would be the face we would see here on site. Reilly has been the main point of contact on the other City projects that DPM has assisted with and those experiences have been positive. Reilly and the DPM team would be providing the following services for this project:

- Master Owner's Budget and Schedule Development and Management
- Construction Cost Estimating Quality Control and Development of Project Cash Flow
- AIA Contract Generation and Management
- Consultant Selection Process & Contract Negotiations
- Assist in Subcontractor Procurement, Award Recommendations, & Contract Negotiation
- FF&E Purchasing Agent Selection & Management
- Insurance Verification
- Facilitate Project Communication & Documentation of Approvals
- Work with Design Team & Contractor to Navigate Permitting Process
- Construction Process Quality Control

Net Financial Result

This contract is to be billed out hourly as work is performed with a Not-to-Exceed amount of \$100,000 for 2025.

Funding for this project is proposed as part of the Certificate of Participation (COP) borrowing planned for the overall public works facility's implementation. Until this funding is secured (expected around July 2025), the Program Management Services will be funded directly by the City using existing reserves. After closing on the borrowing, the COP funds may be utilized to repay funding that initially came from City's reserves.



Council Transmittal Memo
Date: January 15, 2025

To: Mayor and City Council

From: David Bries, Utilities Director

CC: Shani Wittenberg, Finance Director
Hyrum Webb, WWTP Superintendent

Subject: Transmittal of Proposal for Gearbox Installation on Secondary Clarifier

Recommendation

Review of a proposal submitted by Moltz Construction of a replacement gearbox on one of the secondary clarifiers at the Montrose Wastewater Treatment Plant in an amount not to exceed \$77,770.

Background

Last year city staff identified brass shavings in the gearboxes of the secondary clarifiers at the wastewater treatment plant and obtained approval from City Council to purchase a replacement gearbox assembly. After the long lead times for this specialized equipment, it has been delivered and is ready to be installed.

The installation is beyond the capabilities of City staff and equipment to complete. Staff recommends utilizing Moltz Construction to complete the installation due to their selection as the contractor in the Design-Build project for WWTP Improvements, and their availability to quickly complete the installation. Once the new gearbox assembly is installed, the one removed will be sent to the manufacturer to be rebuilt and installed on the second clarifier that is of the same age and has the same brass shavings in the oil.

The installation is projected to take approximately two weeks to complete.

Financial Impact

This delivery of the equipment was anticipated to happen in 2024 and was not specifically budgeted for in the 2025 Budget but will be included in the \$3,000,000 capital line item for the Wastewater Treatment Plant Improvement Project. The financial impact for the proposed services total \$77,770.00. Adequate funding is available based on the projected cost for the project.

CONTRACT AWARD CONSIDERATION



TO: Honorable Mayor and Members of the City Council
FROM: Scott Murphy, *City Engineer*
DATE: January 15, 2025
RE: West Main Revitalization Construction Contract Award
CC: William Bell, Shani Wittenberg

Action

Consider the approval of \$3,709,411.25 in expenditures for construction of the West Main Revitalization Project. This includes the award of a construction contract to Ridgway Valley Enterprises in the amount of \$3,379,411.25, a survey and engineering support contract to Del-Mont Consultants in the amount of \$145,000, and up to \$185,000 in direct expenditures for construction materials testing and streetlight replacements by DMEA.

Project Background

With over \$10M of infrastructure projects planned for the Main Street Corridor, the City has declared 2025's construction season as "The Year of Main Street." Additional detail on projects planned for Main Street can be found on the City's Moving Montrose Forward website under the "Current Capital Projects" tab.

Thanks in part to a \$2M grant from CDOT through their Revitalizing Main Streets program, The West Main Revitalization Project aims to improve pedestrian mobility and aesthetics of West Main Street (SH-90) between Selig Avenue and the Uncompahgre River. This includes relocation of the curblines into existing underutilized parking areas, the addition of bike lanes, widened sidewalks (incl. reclaiming existing rights of way), storm drainage improvements, and boulevard landscaping. All of these improvements are possible while still maintaining the existing four lane configuration of the roadway. An overview of the project footprint is available online at <https://tinyurl.com/MontroseWestMainOverview>.

Project Bidding and Associated Expenditures

Construction of the West Main Revitalization Project was put out for bid on December 2nd and bids were publicly received on January 15, 2025 from two contractors as summarized in Table 1 below. Bid totals presented include a \$250k contingency.

TABLE 1
Summary of Bid Results

Contractor	Location	Bid Total
Ridgway Valley Enterprises	Montrose, CO	\$3,379,411.25
Williams Construction	Norwood, CO	\$4,080,628.50

The City has positive experience working with the low bidder, Ridgway Valley Enterprises, on numerous large City capital projects and considers them qualified to perform the work. As a result, it is recommended that the construction contract be awarded to Ridgway Valley Enterprises.

In addition to the award of a construction contract, we are also recommending award of a survey stakeout contract to the project surveyor (originally a sub-consultant to the project designer KLJ Engineering), Del-Mont Consultants. Work to be performed by Del-Mont Consultants includes construction stakeout of project components (curbing, sidewalks, ramps, storm drains, striping, etc), fine tuning of the project's vertical elevation models, and preparation of stakeout cut sheets for the project contractor. This scope of work is budgeted at \$145,000 on an as-needed, time-and-materials basis based on a proposal from the consultant.

Additionally, the following direct expenditures are recommended for authorization on the project:

- **Construction Materials Testing.** Typically, construction materials testing (compaction, concrete strength, asphalt properties, etc) is incorporated into the contractor's scope of work on City capital projects. However, as a CDOT local agency project, materials testing to be used as the basis for acceptance and reimbursement by CDOT must be performed by the City. As a result, the City would enter into contracts with the two local providers of this service: Buckhorn Engineering and Lambert & Associates. This work is budgeted at \$95,000 on an as-needed, time-and-materials basis based on rate sheets from the service providers.
- **Street Light Relocations.** All existing streetlights within the project corridor are outdated, faded, and in conflict with the proposed improvements. As a result, the project includes replacement and relocation of conflicting streetlights. This work is performed by the local power company (DMEA) and is expected to cost \$90,000 (including some underground trenching) based on cost estimates provided by DMEA.

A summary of these costs is included in Table 2 below.

TABLE 2
Summary of Project Costs

Work Element	Cost
Construction Contract (Ridgway Valley Enterprises)	\$3,379,411.25
Survey and Engineering Support (Del-Mont Consultants)	\$145,000.00
Construction Materials Testing	\$95,000.00
Power Pole Relocation and Replacement	\$90,000.00
TOTAL	\$3,709,411.25

Project Schedule and Traffic Control

Pending CDOT's concurrence to award the construction contract, work on the project is scheduled to begin in March and extend into October 2025. The project will include the following measures to limit impacts to motorists and pedestrians to the extent practicable:

- **Lane Closures and Lane Shifts.** Most work will take place with outside lane and shoulder closures within active work areas. Select stormwater tie ins will require lane shifts but at least one through lane of traffic will be maintained in each direction at all times.
- **Side-Street Closures.** Side street closures will occur near their intersections with Main Street during periods of active work for stormwater replacements and street reconstruction. Detours will be established around these closure areas.
- **Sidewalk Closures.** The contract requires the contractor to maintain pedestrian connectivity through the project area on at least one side of the street at all times. This will generally be achieved by performing work on one side of the street at a time which will provide an open pedestrian pathway on the opposite side of Main Street.
- **Driveway Closures.** This project requires the contractor to maintain access to existing driveways throughout construction. Any isolated closures required will only occur during periods of active construction and will be coordinated with the affected business owner.
- **Inspection Oversight.** As is the case on all City capital construction projects, City engineering staff will maintain a daily presence on site to inspect constructed infrastructure, ensure traffic control requirements are being met, and coordinate with the public/adjacent property owners as work progresses.
- **Trenchless Installation.** Sprinkler pipe installations across Main Street are planned to be installed using trenchless (directional drilling) technologies to limit the amount of more-impactful open-cut excavations within the project area.

Project Outreach

Between this and other planned projects, active construction will be taking place on all reaches of Main Street throughout much of 2025. In order to ensure motorists, pedestrians, and businesses are up to speed on the project, the City will be utilizing a targeted outreach program consisting of routine advisories and video updates on social media (incl. the Moving Montrose Forward Capital Projects Webpage, DART, Montrose Lifestyle, City of Montrose pages, etc), "SWAG" materials for businesses to handout, a banner over Main Street, email updates, DART meeting updates, and targeted business open house meetings.

Contract Administration and Project Financials

Contract administration, project management, and inspection will be performed by the City of Montrose engineering department with construction stakeout support from Del-Mont Consultants as needed.

Within the 2025 proposed budget, a total of \$3.0M is allocated for this project out of the City's general fund. Of this \$3.0M, \$1.74M remains available from the CDOT grant for reimbursement upon completion of the project.

With an expected overall construction cost of \$3.7M (see Table 2 above), the project sits \$700k over the \$3M budget. However, the City's overall general-fund capital budget for 2025 is expected to come in within the anticipated overall budget. This is due primarily to the Woodgate/East Oak Grove project bid coming in \$760k under budget and capital projects currently underway trending below their contracted amounts.