

## COUNCIL ACTION FORM

**SUBJECT: AWARD A CONTRACT TO R. H. GRABAU CONSTRUCTION, INC., TO CONSTRUCT A RESTROOM AT ADA HAYDEN HERITAGE PARK**

### **BACKGROUND:**

Due to the popularity of Ada Hayden Heritage Park (AHHP) and the anticipated development of Charles Calhoun Memorial Park, located east of Dawes Drive adjacent the south end of AHHP, another permanent restroom facility at AHHP is included in the FY07/08 Capital Improvement Plan. The Park Development Fund is the identified funding source for this project that is expected total \$640,000 by the beginning in July 2008.

This facility would be located at the south side of the lake adjacent the hard surfaced pathway. The following bids were reported at the March 25, 2008 City Council meeting:

R.H. Grabau Construction, Inc.	\$123,955
Rocky Grillo Construction	\$138,738
Jensen Builders Ltd	\$155,205

### **Original Budget Summary:**

Allocated:	\$125,000
Estimated Costs:	
Engineering	\$ 27,200
Construction	\$ 92,820
Contingency	\$ 4,980

The lowest bid exceeded the architect's construction estimate by \$31,135, or by 34%. At the March 25<sup>th</sup> City Council meeting, staff was directed to request that the City's retained architectural firm, Snyder and Associates, provide a response to the following two issues:

1. What factors led to the lowest bid exceeding the estimated budget by 34%?
2. Evaluate if the facility can be modified to better assure the established construction budget (\$92,820) can be realized.

Snyder and Associates responded that during the design phase they became aware of two City code requirements that they now believe increased the project costs: 1) The connection into the sanitary sewer must be made into the side, versus the top of the pipe. This requires deeper excavation, which increases costs. 2) To be in compliance with ADA requirements, code requires two drinking fountains. This adds approximately \$2,600 to the cost of the project.

Snyder and Associates could not identify any modifications to the project that would reduce cost without compromising the quality of the project.

**ALTERNATIVES:**

1. Award a contract to R. H. Grabau Construction, Inc., in the amount of \$123,955 utilizing an additional \$31,135 from the Park Development Fund for the construction of a restroom facility at the southern end of Ada Hayden Heritage Park. This action will increase the total project budget to \$156,135. In addition, this alternative will authorize \$31,135 of additional funding from the Park Development Fund balance to accomplish the project as originally designed.
2. Reject bids and delay this project until FY08/09.

**CITY MANAGER'S RECOMMENDED ACTION:**

Due to the popularity of this park, and with Snyder and Associates identified reasons for increased costs, it seems warranted to expend an additional \$31,135 to accomplish this project at this time. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative 1, thereby awarding a contract to R. H. Grabau Construction, Inc., in the amount of \$123,955.