

ITEM # 22  
DATE August 26, 2008

## COUNCIL ACTION FORM

**SUBJECT: BIDS FOR CONSTRUCTING A DOG PARK**

**BACKGROUND:**

The FY07/08 Capital Improvement Plan includes \$150,000 for the development of an approximate 10-acre dog park. This facility is to be constructed at the previous site of the Water and Pollution Control Plant at the east end of Billy Sunday Road.

In partnership with the Ames Foundation, the Friends of the Dog Park raised \$50,000 in funding for this project. Council authorized \$100,000 in funding from the Parkland Acquisition and Development.

The facility would include a five-foot high fence, drinking fountain, a parking lot for 25 vehicles, site development, and an entry seating area. User permit revenue, estimated to total \$12,000 annually, is anticipated to cover the ongoing operational expenses for this park.

One bid was received from Manatt's, Inc. in the amount of \$175,785. This bid will expire on October 17, 2008.

**Budget summary:**

Allocated:	\$150,000
Estimated Costs:	
Engineering	\$ 14,600
Construction	\$175,785
Contingency	\$ <u>8,800</u> (5%)
Total	\$199,185 (exceeds funding by \$49,185)

The bid exceeded Snyder & Associates (SA) estimate by 30%. Upon analyzing the bid, SA reports that the fencing and utility costs exceeded their preliminary cost estimates. SA could not identify any modifications to the project that would reduce costs without compromising the quality of the project. In addition, it was related to Staff that there was little interest in this relatively small project given the workload of prospective bidders.

**Staff is now seeking direction from Council on how best to proceed with this project.**

## ALTERNATIVES:

1. The City could finance the total overage of \$49,185 from the Park Land Acquisition and Development Fund.

The Parkland Acquisition and Development Fund balance totals \$540,000 (as of 6/30/08). This fund could be utilized to make-up the needed balance of \$49,185.

2. The City could finance the total overage from a combination of savings from a CIP project and the Park Land Acquisition and Development Fund.

The FY05/06 CIP included \$80,000 (Local Option Sales Tax) to add on to the existing Park Maintenance facility; located on east 13<sup>th</sup> Street. After much deliberation, an alternative approach was pursued to construct a \$50,000 free-standing facility adjacent to the existing building. These savings totaling \$30,000 could be utilized toward the needed \$49,185 in funding for the Dog Park project, along with \$19,185 from the Park Land Acquisition and Development Fund.

3. The City Council could agree to fund \$32,954 of the overage subject to the Friends of the Dog Park contributing an additional \$16,231 to the project.

This approach would be based on the original funding formula where the City committed 67% of the estimated project costs, while the Friends group was expected to donate 33%. In order to accomplish this option the additional donations must be transferred to the City prior to October 17<sup>th</sup>. The City's portion of the overage could come from those sources identified in 1 and 2 above.

If this option is selected, the Council will need to accept the report of bids and notify the Friends of the Dog Park of the desire for more donations.

4. The City Council could require the Friends of the Dog Park to contribute an additional \$49,185 in order for the project to proceed.

This option would be supported if the Council did not want to commit more than the budgeted amount of \$100,000 towards this project. In order to accomplish this option the additional donations must be collected and transferred to the City prior to October 17<sup>th</sup>.

If this option is selected, the Council will need to report the bids and notify the Friends of the Dog Park of the desire for more donations.

5. The City Council could reject the one bid that was received for the project and direct staff to work with the Friends of the Dog Park to determine how best to proceed within the established construction budget of \$128,630 (engineering \$14,600, contingency \$6,770).

**CITY MANAGER'S RECOMMENDED ACTION:**

Based on the comments received from our engineers, it does not appear that redesigning the project or rebidding it at this time will yield a lower project cost. In addition, representatives of the Ames Foundation who are working with the Friends group to raise money for the park have indicated it is highly unlikely that they will have any success in raising additional funds for the project.

Staff continues to believe that the proposed Dog Park in Ames would be a valued addition to our park system and, therefore, will be a highly utilized facility by our residents; young and old alike. **If Council is willing to expend more than was originally budgeted for this project and desires to move forward with the project, then it is the recommendation of the City Manager that the City Council approve Alternative #2 to award the bid to Manatt's in the amount of \$175,785, with the \$49,185 overage coming from savings in the Park Maintenance Facility CIP (\$30,000) and the remaining portion from Park Land Acquisition and Development Fund (\$19,185).**

**However, if the Council does not prefer to expend any additional City funds for the project or would like to see an additional commitment from the Friend group, then one of the other options should be selected.**