

COUNCIL ACTION FORM

SUBJECT: ANIMAL SHELTER REMODELING PROJECT

BACKGROUND:

In 2009 the City Council approved using grant funds from a federal Energy Efficiency and Conservation and Block Grant to explore energy efficiency enhancements at the Ames Animal Shelter. Design concepts from this first phase were used in 2010 when the City secured \$12,750 in project grant funding from the Iowa Office of Energy Independence. These funds required a 50% local match. The Council accepted the State grant award with the balance of the funding for this project earmarked from animal shelter donations. Donations applied to this project include funds originally contributed to enhance the portion of the facility used for cats.

Benjamin Design Collaborative was retained as an architectural/engineering firm to conduct an energy assessment of the facility and to recommend upgrades. This firm was then again retained to complete the construction documents. The proposed renovations to the facility include the following:

- Construction of a new entryway which includes space for cats,
- Installation of wall and ceiling insulation,
- Replacement of existing lighting with energy-efficient lighting, and
- Replacement of the furnace with a new energy-efficient model.

These renovations would allow reconfiguration of part of the 3,775 square feet of existing space and the addition of 988 square feet of new space to the Animal Shelter. In addition to more efficient use of energy, this remodeling was expected to improve air quality within the animal care areas and enhance visitor circulation through the facility. The design also responds to donor interest in improving the cat area with enhancements to the lighting and placement of that function.

The architectural/engineering firm's estimate for construction of this project was \$80,666. Sources of approved funding included \$12,750 of Office of Energy Independence (OEI) grant funds, \$17,000 in grant funds from Maddie's Fund (a national private foundation), and \$50,916 from Animal Shelter donations. In addition, the City had previously contracted for architectural/engineering fees of up to \$12,900 paid from shelter donations.

On June 2, 2011, bids were opened for this project. One bid received as follows:

Bidder	Lump Sum Bid Amount
R. H. Grabau Construction, Inc.	\$231,613.00

This lone bid exceeds the architect's estimate and available funding by such a large amount that the project cannot proceed at this time.

Staff contacted OEI to discuss possible options in the event that bids were rejected and a contract not awarded. Due to the grant timelines involved, delaying the Animal Shelter project would mean foregoing \$12,750 in OEI grant funds. OEI has indicated that if the City were to identify an acceptable alternative project, any unused grant funds could be put towards it. Staff is in the process of determining what feasible projects might exist in other City facilities, and will report back to Council for approval of an alternate plan for those grant funds at a later date.

ALTERNATIVES:

1. Reject the bid from R. H. Grabau Construction, Inc., and delay the Animal Shelter renovation project to a later time.
2. Award the project to R. H. Grabau Construction, Inc. at a cost of \$231,613 and direct staff to identify other funding sources.

MANAGER'S RECOMMENDED ACTION:

The bid received on this project is well over the engineer's estimate of \$80,666. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby rejecting the bid from R. H. Grabau Construction, Inc., and delaying the Animal Shelter renovation project to a later time.