

**COUNCIL ACTION FORM**

**SUBJECT: CITY HALL RENOVATION PROJECT**

**BACKGROUND:**

Following two unsuccessful attempts to bid out improvements to City Hall, on February 19<sup>th</sup> the City Council approved preliminary plans and specifications for a scaled back renovation project of the Police Department, including construction of a new, larger Emergency Operations Center (EOC). Council set the bid due date for March 20<sup>th</sup>, and the public hearing for March 26<sup>th</sup>.

This project involves the renovation of 6,500 sq feet of space occupied by the Police Department on the ground floor of City Hall and the addition of one doorway in the north exterior wall by the sallyport overhead doors. It includes a completely new (EOC, as well as relocation and upgrade of the Dispatch area, Police Records, evidence processing and storage, and affiliated offices.

**Cost estimates for this project were as follows:**

Design & Construction Mgmt.	\$ 150,955
Construction Advisory Service	\$ 30,000
Construction	\$ 875,000
5% Design Contingency*	\$ 43,750
10% Construction Contingency	<u>\$ 87,500</u>
Total	\$1,187,205

(\* The design contingency has been increased from 4% to 5%)

**Funding for the project is as follows:**

Homeland Security Grant	\$ 600,000
General Fund	<u>\$ 587,205</u>
Total	\$ 1,187,205

Forty-nine sets of plans were distributed to prospective bidders, the bid was advertised on the Current Bid Opportunities section of the Purchasing website, and a legal notice was published in the Ames Tribune. The bid was also sent to five plan rooms.

On March 20<sup>th</sup>, five bids were received as shown below:

<b>Contractor</b>	<b>Base Bid</b>	<b>Carpet Tile Allowance</b>
HPC, LLC, Ames, IA	\$770,000	\$15,744
Edge Commercial, Grimes, IA	\$816,500	\$15,520
Dean Snyder Construction, Clear Lake, IA	\$858,972	\$12,800
Henkel Construction, Mason City, IA	\$869,399	\$10,825
Bergstrom Construction, Des Moines, IA	\$874,000	\$14,000

Staff and the consulting architectural/engineering firm, Shive-Hattery, have concluded that the apparent low bid submitted by HPC, LLC of Ames is the lowest responsive, responsible bid. HPC provided all the required forms and certifications. The carpet tile allowance shown above is only to identify the value of the product, and does not increase the amount of the contract.

**ALTERNATIVES:**

1. a. Award the construction contract to HPC, LLC, Ames, IA, for the 2013 City Hall Renovation project in the amount of \$770,000.
- b. Approve the contract and bond for the project.
2. Reject all bids and direct staff to modify the project.

**MANAGER'S RECOMMENDED ACTION:**

After two unsuccessful efforts to renovate City Hall, it is very encouraging that all five bids came in under the construction estimate. The low bid is actually \$105,000 under that amount. These highly competitive bids were solicited through the combined efforts of City staff, Shive-Hattery, and a large number of private contractors.

Awarding this bid now will allow the City to utilize the \$600,000 Homeland Security grant to construct a new EOC. The local funding also allows for the renovation of associated Police spaces. This will improve the efficiency of space utilization within the current footprint of the building and improve the public safety services provided by the Police.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby awarding the construction contract to HPC, LLC, Ames, IA, for the 2013 City Hall Renovation project in the amount of \$770,000. Since time is of the essence with this project, it is also recommended that Council approve the contract and bond. This will allow the contractor to begin work on the renovation immediately.

**Additional areas of City Hall's first floor and basement are still in need of renovation to meet other pressing needs of the Police, Finance and Public Works Departments. This includes preparing space to move Information Technology into the basement of City Hall from rented space off-site. The City Council has approved a total of \$1,023,573 from the General Fund for this larger project. Since this significantly exceeds the apparent needs of the EOC project, it may now be possible to also proceed with the remaining phase of these renovations.**