

COUNCIL ACTION FORM

SUBJECT: CITY HALL PARKING LOT RECONSTRUCTION (SOUTH SKUNK RIVER BASIN WATERSHED IMPROVEMENTS) ENGINEERING SERVICES

BACKGROUND:

On January 24, 2017, City Council awarded the City Hall parking lot project to Manatt's Inc., of Ames, Iowa in the amount of \$948,116.35. For the design of the improvements, staff negotiated a contract in the amount of \$34,595.25. Since the original bid and second bid were not acceptable, the project required a third bid which was awarded by City Council at the January 24, 2017 meeting. The original project scope only included one bidding process. After the first bid, staff discussed how to account for the costs of rebidding the project and agreed to wait to determine actual costs. The same discussion was held regarding the third bidding process.

With the successful third bid, the consultant has requested a contract increase of \$19,084.75, bringing total design costs to \$53,680 which is only 6% of the awarded bid, lower than a typical fee in the 10 – 15% range. This additional cost was accounted for in the revenue and expenses reported with the Award of Contract on January 24th.

A recap of the revenue and expenses for the project are shown below:

	Available Revenue	Estimated Expenses
City Hall Parking Lot Reconstruction		\$948,116.35
City Hall Parking Lot Reconstruction Funding	\$500,000	
Savings from City Hall Roof Project*	\$161,400	
IDALS Water Quality Grant	\$100,000	
Iowa DNR SRF Sponsored Project Funding	\$347,250	
15/16 Storm Water Quality Improvement Program	\$100,000	
16/17 Storm Water Quality Improvement Program	\$100,000	
Contingency (5% of Construction)		\$47,400
Engineering & Construction Administration		\$141,000
	\$1,308,650	\$1,136,516.35

*The City Hall roof project was budgeted at \$700,000.
 The actual contract plus engineering/inspection will cost \$500,000.

ALTERNATIVES:

1. Approve the change order with Bolton & Menk for engineering services for the City Hall Parking Lot Reconstruction (South Skunk River Basin Watershed Improvements) in the amount of \$19,084.75.
2. Direct staff to pursue other options.

MANAGER'S RECOMMENDED ACTION:

Due to the multiple rebids of the project, these costs are justified for the amount of coordination required to have a successful design and bid.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.