

**COUNCIL ACTION FORM**

**SUBJECT: NORTH RIVER VALLEY PARK LOW-HEAD DAM IMPROVEMENTS**

**BACKGROUND:**

The City of Ames constructed a low-head dam on the South Skunk River in 1984 to create a pool of water in the primary recharge zone for the aquifer that feeds the City's Downtown Well Field, thereby providing a means to increase the capacity of these wells during periods of drought. While the City has never promoted recreation at the dam, it is evident that the low-head dam attracts members of the public who use the area for recreation. Low-head dams can pose a serious drowning hazard due to the recirculation effect which occurs immediately downstream. Therefore, in 2013 the City initiated a project to replace the dam with features that create safe recreational opportunities while still allowing for aquifer recharge during drought.

City Council issued a Notice to Bidders for the project on December 12, 2017. The bids were opened on January 3, and the results are as follows.

<b>Contractor</b>	<b>Bid</b>
<i>Engineer's Opinion of Probable Cost</i>	<i>\$716,354</i>
Engineering and Construction Innovators, Inc.	\$825,899

During the bidding period, staff was contacted by multiple potential bidders. Ultimately, only one bid was received. That single bid was \$109,545, or 15.3%, above the engineer's estimate.

If this single bid were accepted, the updated project budget would be as follows.

<u>Total Project Costs</u>	
Engineering	\$ 112,675
Mussel Survey (permit required)	30,153
Construction (Bid Price)	825,899
Construction Inspection	71,600
Contingency (4%)	27,719
<b>Total Estimated Project Cost</b>	<b>\$1,068,046</b>

The available funding for the project is \$958,501. (Grant funds - \$392,901; Local (City) funds - \$475,000; In-kind donations/services - \$90,600) **Based on the single bid price received, there is a deficit of \$109,545.** Contractors who the consulting engineer spoke with were interested in the project; however, a number expressed concern over the winter construction schedule required in the specifications and would have preferred a summer construction schedule. While the only bid received was not unreasonable, the lack of competition, the timing of the construction schedule, and bidding over the holiday may have factored into a higher than expected bid. **Because of these factors, staff is recommending that the City Council reject the bid.** Staff anticipates rebidding the project in the next couple of months.

Staff has spoken with Iowa Department of Natural Resources staff about an extension of the grant funding and requirements of the mussel relocation, and anticipates no issues that will result from delaying the project. Staff will also be reviewing and modifying the plans to see where adjustments can be made to help trim costs, such as: a later and longer construction schedule; fewer tree plantings; boulder stockpiling in advance; and locating a place for excavated soil near the project site.

**ALTERNATIVES:**

1. Reject the single bid and do not award a contract at this time.
2. Award a contract in the amount of \$825,899 to Engineering and Construction Innovators, Inc. of Oakdale, MN and identify a funding source for the shortage.

**MANAGER'S RECOMMENDED ACTION:**

Staff believes that rejecting the bids and rebidding the project with a different construction window will provide for increased competition and pricing to allow the project to happen within budget. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.