

**COUNCIL ACTION FORM**

**SUBJECT: REPORT OF BID AND AWARD OF CONTRACT FOR CYRIDE HVAC IMPROVEMENTS PROJECT**

**BACKGROUND:**

The CyRide 2020 HVAC Improvement Project calls for the replacement of outdated facility heating, ventilation, and air conditioning (HVAC) equipment. Bids were due on February 26, 2020. This was the second time the project was bid, as the project specifications were found to be overly restrictive after the first bids were received.

The HVAC equipment being replaced with this project received the highest priority for replacement in CyRide's Transit Asset Management (TAM) plan. A TAM plan is required by the Federal Transit Administration, and its purpose is to ensure facility and rolling stock assets are maintained in a state of good repair. In early 2019, CyRide staff applied for an Iowa Department of Transportation Public Transit Infrastructure Grant (PTIG) for the replacement of equipment in five areas of the facility. In July 2019, it was announced that CyRide would be the recipient of \$521,098 in requested grant money. The total project budget is \$651,373 and is listed in the 2019-2024 and 2020-2025 CIP.

Two rooftop units were bid as separate add alternates due to budget concerns. Only one bid for the project was received. Mechanical Comfort, Inc. of Ames, IA submitted a base bid of \$539,500. Add Alternate 1 was bid at \$145,500 and Add Alternate 2 was bid at \$54,750. Detailed bid information is provided in the table below:

<b>Bidders</b>	<b>Base Bid HVAC equipment removal and replacement</b>	<b>Alternate #1 Removal and replacement of HRU-9</b>	<b>Alternate #2 Removal and replacement of RTU-12</b>
<b>Mechanical Comfort, Inc.</b>	<b>\$539,500</b>	<b>\$145,500</b>	<b>\$54,750</b>

After reviewing the bid results with the project design team, staff is recommending accepting only the base bid, so that adequate funds are reserved for project contingency and A&E fees. The two alternate bid rooftop units will be replaced in future facility improvement projects.

Additionally, bid prices were higher for the second bid even though project specifications were revised to allow more competition. Project budget information is provided in the table below:

<b>Funds Available</b>	<b>Dollars</b>
State PTIG Funds	\$ 521,098
Local	\$ 130,275
<b>Total Available</b>	<b>\$ 651,373</b>

**The Ames Transit Agency Board of Trustees approved contract award to Mechanical Comfort at the March 4, 2020 meeting. Final contract award is subject to concurrence by the Iowa Department of Transportation Office of Public Transit.**

**ALTERNATIVES:**

1. Approve the final plans and specifications for the CyRide 2020 HVAC Improvements Project and award the construction contract for the project to Mechanical Comfort, Inc. of Ames, IA for the base bid amount of \$539,500.
2. Not approve the bid from Mechanical Comfort, Inc. and direct staff to modify the project to reflect City Council priorities as well as rebid the project.

**CITY MANAGER’S RECOMMENDED ACTION:**

Awarding the base project will allow CyRide to move forward with a needed facility improvement project. The two alternates (rooftop units) will be replaced in a future facility improvement project.

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