#### COUNCIL ACTION FORM

### SUBJECT: SOUTHEAST ENTRYWAY PROJECT

#### BACKGROUND:

This project is a continued partnership between the City of Ames and the South Ames Business Neighborhood (SABN) to complete improvement features to the Southeast Entryway, including installation of light columns and planting of trees, native plants and flowers. A portion of the Southeast Entryway has already been improved with grading and plantings at the intersection of Dayton Avenue and S.E. 16<sup>th</sup> Street, extending up to the Dayton Avenue overpass over U.S. Highway 30.

On December 16, 2008, Council approved an lowa Department of Transportation (lowa DOT) funding agreement for the project. On December 16, 2010, a public meeting was held to provide project specific information and to receive feedback regarding the proposed project concepts. From that feedback, a plan was developed. On July 12, 2011, Council authorized staff to negotiate a sole source contract with RDG Dahlquist Art Studio for fabrication and installation of lighted sculptures for this project. The Iowa DOT also approved this firm as the sole source provider for fabrication and installation of the lighted sculptural columns. RDG Dahlquist Art Studio has been involved with initial concepts, public input, and cost estimating for the project as a sub-consultant on the Engineering Services Contract for the project design.

On October 25, 2011, Council approved a sole source contract with RDG Dahlquist Art Studio for the fabrication and installation of 12 sculptural light columns and two pedestrian scale sculptural light columns in the amount of \$555,495. Since that time, the cost estimate has been revised to \$554,820. An alternate bid item is also included that would add two more full-size light columns for an additional \$69,500. That alternate could be awarded if favorable construction bids are received.

Because project funding includes federal funds, the contract was required to be let by the Iowa Department of Transportation (Iowa DOT). On Tuesday, May 15, 2012, bids were received and read by the Iowa DOT as follows:

<u>Bidder</u>	<u>Amount</u>
Engineer's Estimate	\$239,758
Truelsen Blumenthal DBA Soil-Tek	\$343,416

Due to this project receiving federal funding, staff has been notified by the DOT that there are strict regulations regarding communications with the apparent low bidder prior to the contract award. Staff is evaluating the bid and bidding documents to explore potential options. Additionally, staff is exploring the ability to obtain a discretionary DOT landscaping grant to supplement the funding shortfall for the project. Staff will report back to Council with a recommendation on how to proceed in June 2012.

Plans and specifications for this project, which includes fence removal/replacement, sculptural footing installation, and restoration, were completed by Snyder & Associates of Ankeny, Iowa. Costs for engineering and construction administration are estimated to be \$160,000, bringing the total estimated cost for this location, including fabrication and installation of the light columns by RDG Dahlquist Art Studio, to \$1,058,236.

In the Capital Improvements Plan, Council approved the use of City funds in the amount of \$148,000 from General Obligation bonds that are being abated through property owner assessments, \$99,000 from Local Option Sales Tax funds, and private funding received from SABN in the amount of \$46,000 left over from the previous phase. These sources more than cover the 20 percent local match required for the \$683,000 statewide Transportation Enhancement grant previously awarded to the City. However, the total available revenue from those sources is \$1,006,000, which does not now cover the estimated expenses for this project.

## **ALTERNATIVES:**

- 1a. Accept the report of bids for the Southeast Entryway Project.
- b. Approve the final plans and specifications for the Southeast Entryway Project.
- 2. Direct Staff to pursue other options.

# MANAGER'S RECOMMENDED ACTION:

Lighted sculptural columns are a key component of the Southeast Entryway Project that will create a stronger sense of arrival into Ames. By accepting the report of bids and approving the final plans and specifications, staff will have time to evaluate ways in which the funding shortfall might be addressed. Hopefully the entryway project can still move forward towards construction during the 2012 construction season.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the report of bids and approving the final plans and specifications for the Ames Southeast Entryway Project.