

Street and Maintenance Facility Project

January 5, 2012

City of North Liberty
ATTN: Mr. Ryan Heiar, City Administrator
P.O. Box 77
North Liberty, Iowa 52317

RE: North Liberty Streets & Maintenance Facility
Recommendation for Award of Bid

Dear Mr. Heiar:

On December 15, 2011 at 2:00 pm in the North Liberty City Administration building, eleven bids were received and opened for the above-referenced project.

The low base bid was received from Garling Construction of Belle Plaine in the amount of \$1,931,000.00. We recommend award of base bid contract to Garling Construction based upon their lowest responsive bid.

We have reviewed the costs of the alternates in the bids and have met with the North Liberty Streets Department. We make the following observations based on our findings.

1. Based on Departmental use and need, the alternates should be prioritized as follows:
 - a. **Priority #1: Vehicle Wash building.** Routine cleaning of the vehicles lengthens their period of utility and lowers maintenance costs for the vehicles and their supporting buildings. The existing non-insulated metal buildings will not serve as vehicle wash areas adequately during winter months. Using the new insulated vehicle storage building for washing purposes will be inefficient due to tight vehicle spacing within the building and will introduce high pressure moisture and salt into the space that will hasten the decay of the building and increase the time needed for maintaining the building. The new building is not designed for this use.
 - b. **Priority #2: Consolidation of electrical services.** Consolidation of electrical services will eliminate the need for the existing electrical lines that feed the North Liberty services campus. These lines run across Muddy Creek, making them difficult for Alliant to access and service. The existing lines are also prone to outages—as many as 4 times per year. Finally, a single service feeding all of the campus will eliminate the multiple metering fees charged to the City.
 - c. **Priority #3: Emergency Power.** This alternate is prioritized behind the consolidation of electrical services because there are currently battery back-up systems in place for Streets Department computers and the North Liberty traffic signal system will operate without centralized control for a period of time while power can be restored. A stable source of power provided by the consolidation of electrical services remains a higher priority.



- d. **Priority #4: Asphalt training pad.**
- e. **Priority #5. Reduce length of base bid building.** We do not recommend this alternate, since a reduced building area will not meet the program needs for the Streets Department. The alternate was put in place in the event that the bidding climate produced bids that were over the budget. This was not the case.

2. Based on economic value alone, the alternates should be ranked as follows:

- a. **Highest Value: Vehicle Wash building.** The \$290,000 cost from Garling Construction for the vehicle wash building was the lowest of all the eleven bidders. If construction of the wash bay building is deferred for one year, the cost of the facility will increase by a minimum of 25% (\$362,500) for the following reasons:
 - i. The general contractor will charge for their general conditions for a standalone vehicle wash project. General conditions are approximately 10% of the construction cost and they include the cost of mobilization, dumpsters, rental fees, and all other costs that the contractor incurs over construction.
 - ii. The general contractor will charge a premium for a “small project”. This is a standard practice in the industry for projects less than \$500,000. Estimated premium is 10% of construction cost.
 - iii. Material and Labor prices will escalate. Estimated price escalation will be 3-5% per year.
- b. **Second Highest Value: Consolidation of electrical services.** The \$39,000 cost from Garling Construction was the lowest of all of the bidders. Deferring the consolidation of electrical services is likely to increase the cost of consolidation, if Alliant energy will not agree to put a transformer on site that will handle the future consolidate load of all of the buildings on the campus.
- c. **Third Highest Value: Emergency Power.** Since the base bid design includes a pad for the emergency generator, emergency power for the site can be deferred to a future time with minimal impact on the cost of the amenity. The future stand-alone project would be one for electrical contractor alone, which would eliminate the mark-up cost of a general contractor. Competition among generator manufacturers would keep the price as low as the market will allow. These reductions would likely offset any price escalation that might occur during the deferment period. There also may be grant opportunities in the future available for emergency power projects.
- d. **Fourth Highest Value: Asphalt Practice Pad.**
- e. **Fifth Highest Value: Reducing the base bid building area.** The \$40,000 credit from Garling Construction was the lowest credit of all of the bidders. With the base building coming in at the project budget, we do not recommend reducing the building size. It would not be possible to add the area back to the building in the future for even three times this amount. In other words, from a cost/benefit perspective, it makes no sense to reduce the size of the building.

- Conclusion:** The current economic climate has resulted in heightened competition for projects among general contractors. With 11 bidders participating and a low bid that is 5% lower than the nearest competitor, we are confident that the low bid is a great value for the City of North Liberty. For the alternates, we find that the priorities for Streets Department need and use are in alignment with the rankings for economic value. At a minimum, the vehicle wash building alternate should be considered, since deferring it will increase the cost of the vehicle wash substantially and the value of combining it with the larger Maintenance building will be lost. We do not recommend that any funds be used to convert the existing streets building to a wash bay. Rather, we support the idea that this unsalvageable building which has served the City well for over 20 years be demolished (as per the Public Works Master Plan) to create a badly needed staging area for the parks and streets department which will increase work efficiencies and safety on the campus. This is a unique moment for the City of North Liberty; we recommend that the City take advantage of all of the opportunities in this bid that public funds will allow.

Upon City Council approval of this award, we will proceed with issuing the Notice of Award and begin administration of the construction contract.

Please contact our office if you have questions.

Sincerely,

SHIVE-HATTERY, INC.



Brian Gotwals, AIA

BLG/bad

Enc.

Copy: North Liberty Mayor and City Council (w/enc.)
Don Colony, Streets Superintendent (w/enc.)
Tracey Mulcahey, Assistant City Administrator (w/enc.)
Scott Peterson, City Attorney (w/enc.)
Kevin Trom, S-H (w/enc.)

SHIVE-HATTERY, INC.
 2834 Northgate Drive
 Iowa City, Iowa 52245-9568
 (319) 354-3040 FAX (319) 354-6921

TABULATION OF BIDS

Client: City of North Liberty
 Project Name: Streets and Maintenance Facility
 S-H Project #: 110390-0

Bid Date: December 15, 2011, 2:00 p.m.
 Location: City Administration Building
North Liberty, Iowa
 Page: Page 1 of 2

NAME AND ADDRESS OF BIDDER		Garling Construction 1120 11th Street Belle Plaine, Iowa 52208	Apex Construction 4218 Yvette Street SW Iowa City, Iowa 52244-2297	Portzen Construction 205 Stone Valley Drive Dubuque, Iowa 52003	Todd Hackett Construction 2925 Cedar Street Suite #1 Muscatine, Iowa 52761	City Construction Group 409 Highway 1 West Iowa City, Iowa 52246	Tricon Construction 2245 Kerper Boulevard Suite 2 Dubuque, Iowa 52001	First Construction Group 3729 West Avenue Burlington, Iowa 52601	McComas-Lacina Construction 1310 Highland Court Iowa City, Iowa 52240										
Bid Security - 5%		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes										
Receipt of Addendum #1		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes										
Receipt of Addendum #2		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes										
ITEM	DESCRIPTION	QUANTITY	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	
BASE BID																			
1	All work indicated in the Bidding Documents	Plan LS	Lump Sum	\$1,870,000.00	Lump Sum	\$1,980,000.00	Lump Sum	\$2,006,000.00	Lump Sum	\$2,010,000.00	Lump Sum	\$2,064,600.00	Lump Sum	\$2,080,000.00	Lump Sum	\$2,114,079.00	Lump Sum	\$2,138,000.00	
2	Allowance #1	Plan LS	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	
3	Allowance #2	Plan LS	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	
4	Allowance #3	Plan LS	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	
Total Base Bid Price				\$1,931,000.00		\$2,041,000.00		\$2,067,000.00		\$2,071,000.00		\$2,125,600.00		\$2,141,000.00		\$2,175,079.00		\$2,199,000.00	
ALTERNATE BID																			
1	Vehicle Wash Building	Add	Lump Sum	\$290,000.00	Lump Sum	\$302,000.00	Lump Sum	\$290,000.00	Lump Sum	\$315,000.00	Lump Sum	\$303,500.00	Lump Sum	\$300,000.00	Lump Sum	\$329,000.00	Lump Sum	\$348,000.00	
2	Emergency Power	Add	Lump Sum	106,000.00	Lump Sum	108,500.00	Lump Sum	108,000.00	Lump Sum	111,000.00	Lump Sum	115,000.00	Lump Sum	110,000.00	Lump Sum	111,700.00	Lump Sum	107,000.00	
3	Asphalt Training Pad	Add	Lump Sum	33,000.00	Lump Sum	38,500.00	Lump Sum	33,000.00	Lump Sum	33,600.00	Lump Sum	37,000.00	Lump Sum	34,000.00	Lump Sum	38,200.00	Lump Sum	36,100.00	
4	Reduce Length of Base Bid Building	Deduct	Lump Sum	40,000.00	Lump Sum	50,000.00	Lump Sum	43,000.00	Lump Sum	46,000.00	Lump Sum	47,000.00	Lump Sum	44,000.00	Lump Sum	47,000.00	Lump Sum	47,000.00	
5	Consolidate Electrical Services	Add	Lump Sum	39,000.00	Lump Sum	40,000.00	Lump Sum	39,000.00	Lump Sum	40,000.00	Lump Sum	39,000.00	Lump Sum	44,000.00	Lump Sum	40,300.00	Lump Sum	38,600.00	

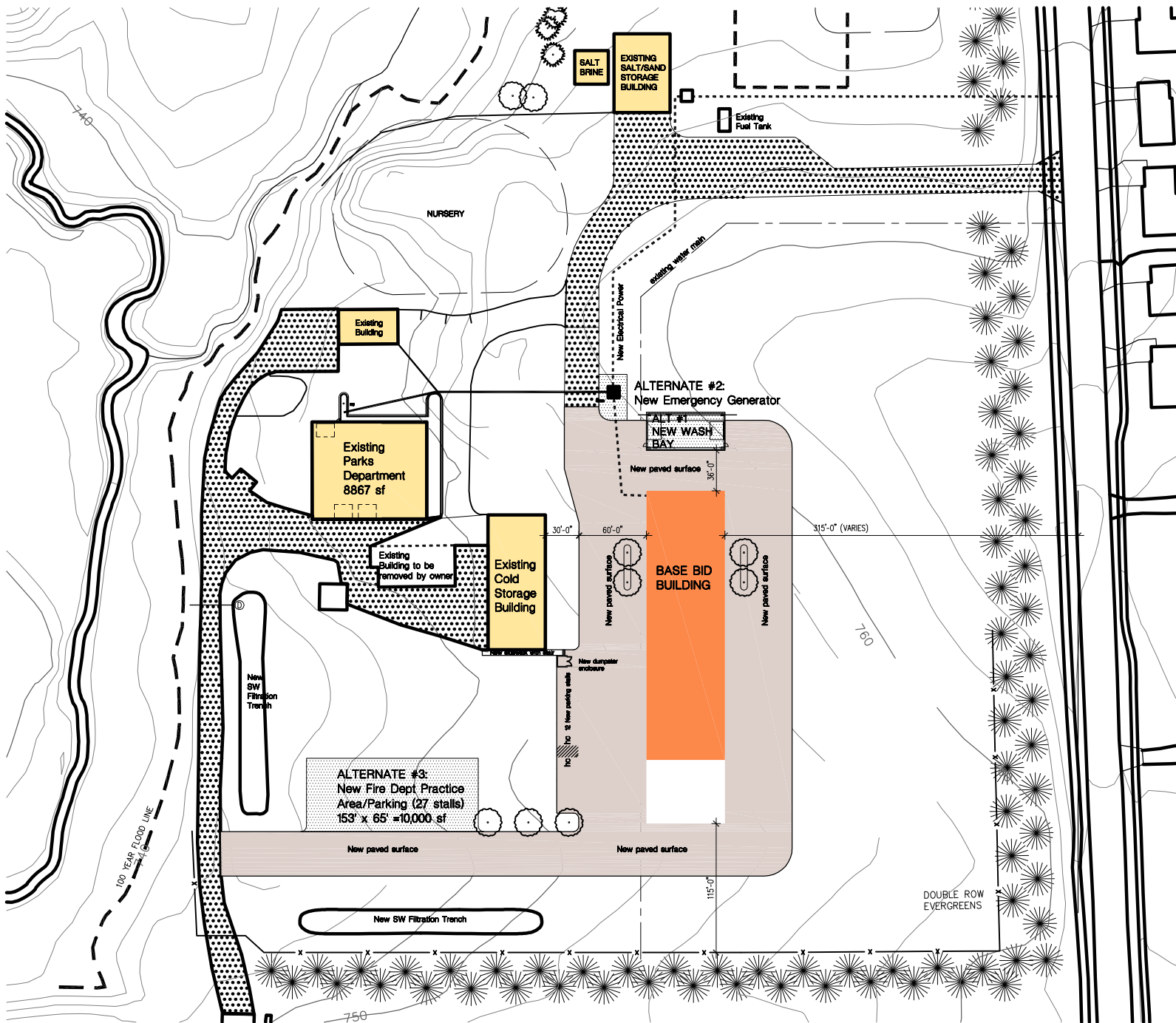
SHIVE-HATTERY, INC.
 2834 Northgate Drive
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TABULATION OF BIDS

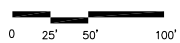
Client: City of North Liberty
 Project Name: Streets and Maintenance Facility
 S-H Project #: 110390-0

Bid Date: December 15, 2011, 2:00 p.m.
 Location: City Administration Building
North Liberty, Iowa
 Page: Page 2 of 2

NAME AND ADDRESS OF BIDDER		Woodruff Construction 1890 Kountry Lane Fort Dodge, Iowa 50501		Selzer Werderitsch Associates 2222 Heinz Road Iowa City, Iowa 52317		Calacci Construction 207 Scott Court Iowa City, Iowa 52245												
Bid Security - 5%		Yes		Yes		Yes												
Receipt of Addendum #1		Yes		Yes		Yes												
Receipt of Addendum #2		Yes		Yes		Yes												
ITEM	DESCRIPTION	QUANTITY	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE
BASE BID																		
1	All work indicated in the Bidding Documents	Plan LS	Lump Sum	\$2,165,000.00	Lump Sum	\$2,213,900.00	Lump Sum	\$2,539,000.00	Lump Sum		Lump Sum		Lump Sum		Lump Sum		Lump Sum	
2	Allowance #1	Plan LS	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00	Lump Sum	25,000.00
3	Allowance #2	Plan LS	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00	Lump Sum	13,000.00
4	Allowance #3	Plan LS	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00	Lump Sum	23,000.00
Total Base Bid Price				\$2,226,000.00		\$2,274,900.00		\$2,600,000.00										
ALTERNATE BID																		
1	Vehicle Wash Building	Add	Lump Sum	\$336,000.00	Lump Sum	\$322,600.00	Lump Sum	\$430,000.00	Lump Sum		Lump Sum		Lump Sum		Lump Sum		Lump Sum	
2	Emergency Power	Add	Lump Sum	110,000.00	Lump Sum	109,500.00	Lump Sum	120,000.00	Lump Sum		Lump Sum		Lump Sum		Lump Sum		Lump Sum	
3	Asphalt Training Pad	Add	Lump Sum	28,000.00	Lump Sum	32,200.00	Lump Sum	50,000.00	Lump Sum		Lump Sum		Lump Sum		Lump Sum		Lump Sum	
4	Reduce Length of Base Bid Building	Deduct	Lump Sum	48,000.00	Lump Sum	49,400.00	Lump Sum	60,000.00	Lump Sum		Lump Sum		Lump Sum		Lump Sum		Lump Sum	
5	Consolidate Electrical Services	Add	Lump Sum	53,000.00	Lump Sum	39,500.00	Lump Sum	40,000.00	Lump Sum		Lump Sum		Lump Sum		Lump Sum		Lump Sum	



NL Streets and Maintenance Facility - Site Plan Attachment 05.28.10

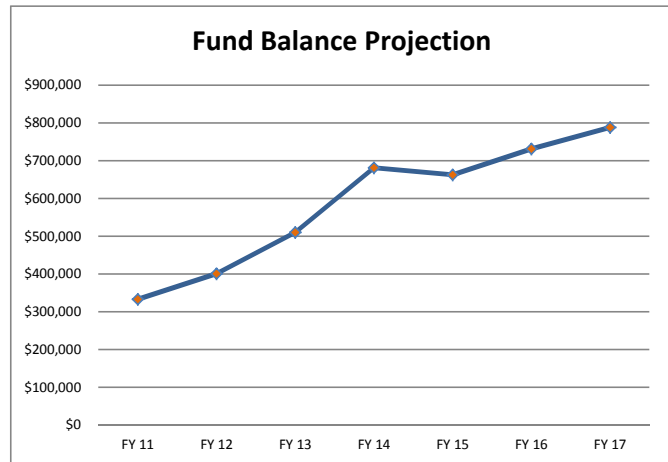
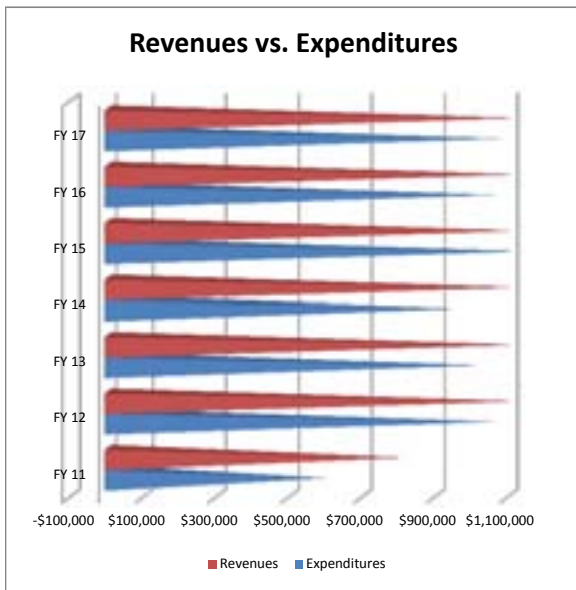


SHIVEHATTERY
ARCHITECTURE+ENGINEERING

2834 Northgate Drive | Iowa City, Iowa 52245
319.354.3040 | fax: 319.354.6921 | shive-hattery.com

Road Use Tax Fund

	FY 11 Actual	FY 12 Budget	FY 13 Budget	FY 14 Estimated	FY 15 Estimated	FY 16 Estimated	FY 17 Estimated
Population	7,224	13,374	13,374	13,374	13,374	13,374	13,374
Funding/Capita	\$113.70	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00
Revenues							
Road Use Tax Collections	\$821,381	\$1,136,790	\$1,136,790	\$1,136,790	\$1,136,790	\$1,136,790	\$1,136,790
Expenditures							
Budget Inflation Rate		78.21%	-3.85%	5.00%	5.00%	5.00%	5.00%
Personnel Services	\$218,374	\$347,822	\$362,900	\$417,335	\$438,202	\$460,112	\$483,117
Services & Commodities	\$146,416	\$141,720	\$157,370	\$165,239	\$173,500	\$182,175	\$191,284
Snow & Ice Removal	\$38,591	\$67,500	\$65,000	\$68,250	\$71,663	\$75,246	\$79,008
Traffic Safety	\$55,325	\$45,000	\$59,000	\$61,950	\$65,048	\$68,300	\$71,715
Street Lighting	\$57,082	\$45,500	\$48,500	\$50,925	\$53,471	\$56,145	\$58,952
Transfers							
Equipment Revolving	\$41,000	\$200,000	\$13,500	\$0	\$153,000	\$25,000	\$25,000
Capital	\$0	\$3,700	\$19,500	\$0	\$0	\$0	\$0
Debt	\$43,077	\$47,797	\$47,133	\$46,674	\$46,159	\$45,915	\$16,155
Street Maintenance Facility	\$0	\$170,000	\$255,000	\$155,000	\$155,000	\$155,000	\$155,000
Billing & Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Road Use Tax Expenditures	\$599,865	\$1,069,039	\$1,027,903	\$965,373	\$1,156,042	\$1,067,893	\$1,080,231
Net Change in Fund Balance	\$221,516	\$67,751	\$108,887	\$171,418	(\$19,252)	\$68,897	\$56,559
Beginning Fund Balance	\$112,088	\$333,604	\$401,355	\$510,242	\$681,660	\$662,407	\$731,304
Ending Fund Balance	\$333,604	\$401,355	\$510,242	\$681,660	\$662,407	\$731,304	\$787,863
% Reserved	55.61%	37.54%	49.64%	70.61%	57.30%	68.48%	72.93%
Total Personnel Costs	\$218,374	\$347,822	\$362,900	\$417,335	\$438,202	\$460,112	\$483,117
% of Road Use Tax Expenditures	36.40%	32.54%	35.30%	43.23%	37.91%	43.09%	44.72%



Resolution No. 12-01

A RESOLUTION ACCEPTING THE BID FROM GARLING CONSTRUCTION FOR THE STREETS AND MAINTENANCE FACILITY PROJECT.

WHEREAS, The City of North Liberty sought bids for the Streets and Maintenance Facility Project, and

WHEREAS, eleven bidders submitted bids for the project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of North Liberty, Iowa, as follows:

The bid for the Streets and Maintenance Project submitted by Garling Construction in the base bid amount of \$1,931,000 plus the following alternates of the Wash bay \$290,000 and the Fire Department Training Pad \$33,000 for a total project of \$2,254,000 is fully responsive to the plans and specifications for the project and is the lowest responsible bid received.

All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Adopted at North Liberty, Iowa, this ____ day of _____, 20____.

CITY OF NORTH LIBERTY

By: _____
Thomas A. Salm, Mayor

ATTEST:

Tracey Mulcahey, City Clerk