City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager MPW

FROM: Randall M. Krauel, Director of Public Works RMK

DATE: February 3, 2021

SUBJECT: Street Maintenance Facility
Bridge Crane

Plans and specifications for the Street Maintenance Facility were developed including a 2-Ton Bridge Crane in the Apparatus Workshop or truck storage bays. Bidding of the project was structured such that the 2-Ton Bridge Crane was an alternate that could be considered for award. The alternate bid included only the Bridge Crane. The supporting structure for the Bridge Crane was included in the base bid for the building. The rationale was that, in the event that the Bridge Crane alternate was not awarded, the supporting structure would be built in-place for possible addition of the Bridge Crane at a future time.

The Contract for the construction of the Street Maintenance Facility was awarded on September 28, 2020, without including the 2-Ton Bridge Crane alternate. At the time, it was still the thought that it could be added at a future time.

As shop drawings for the project have been prepared and reviewed, additional details related to the Bridge Crane have been provided. The steel contractor on the project has prepared shop drawings for the Bridge Crane support structure based on the plan drawings. Those shop drawings need to be verified by the crane manufacturer. The crane manufacturer has declined to verify the shop drawings without a purchase order.

At this point, even though the plans were prepared with the basis of design being the crane manufacturer proposed by the successful bidder, there is no certainty that the supporting structure steel will fit the crane without manufacturer review and approval. Discussion has also included that crane manufacturers change designs over time. The supporting steel erected at this time may not accommodate a crane purchased at a future time.

It appears that there may be options, as follows, for proceeding with the Facility

Option 1. Build supporting structure pursuant to the plans. The advantage of this Option is that the supporting structure is currently in the bid price and it is designed based on the crane manufacturer included in the low bid. An additional advantage is that, with the supporting structure in place, all mechanical, electrical and plumbing would be built around it. The disadvantage is that, without manufacturer review and approval of drawings, the supporting structure may not fit the crane currently or a later purchase.

Option 2. Delete the crane supporting structure from the Contract. The steel erector and fabricator have offered a $19,000.00 credit on the Contract for removal of the supporting structure. The advantage of this option is a Contract cost reduction. The disadvantages are that, if there is a future desire to install a crane, the crane and installation will probably cost more than the current pricing.

Option 3. Add the 2-Ton Bridge Crane alternate to the Contract at the bid price of $48,200.00. The advantages of this Option are a complete, useable Bridge Crane at a competitively bid price. The disadvantage is the additional cost.

Currently estimated project funding and costs are as follows:

FUNDING		
General Fund, F.Y. 13-14	$22,500.00	
General Fund, F.Y. 16-17	$350,000.00	
General Fund, F.Y. 18-19	$480,568.00	
Road Use Tax Fund, F.Y. 19-20	$590,000.00	
LOST, F.Y. 16-17	$1,600,000.00	
LOST, F.Y. 18-19	$350,000.00	
LOST, F.Y. 19-20	$1,500,000.00	
C.P. – Streets, F.Y. 16-17	$52,500.00	
Interest, F.Y. 17-18	$19,594.00	
Interest, F.Y. 18-19	$38,335.00	
Interest, F.Y. 19-20	$55,745.00	
Interest, F.Y. 20-21	$40,000.00 (est.)	
Interest, F.Y. 21-22	$10,000.00 (est.)	
Total		$5,109,242.00
COST		
Planning/Design		
Planning, F.Y. 15-16	$22,500.00	
Architect Design Fees	$287,340.00	
Soil Testing	$3,430.00	
Subtotal Planning/Design		$313,270.00
Construction		
Base Bid	$4,036,000.00	
Add Alternate Bid No. 1	$357,000.00	
Add Alternate Bid No. 10	$96,300.00	
Architect Construction Admin.	$63,073.00	
Construction Testing (Est.)	$20,000.00	
Construction Contingency (Est.)	$223,500.00	
Subtotal Construction		$4,795,873.00
Total		$5,109,143.00

The Construction Contingency, currently $223,500.00, is provided to cover unforeseen expenses that are encountered and determined necessary for the completion of the project. If Option 3, inclusion of the 2-Ton Bridge Crane in the Contract, is selected, and unforeseen expenses do not exceed the Construction Contingency, it can be used to cover the cost of the Bridge Crane. However, if currently unforeseen expenses equal the Construction Contingency, the funding may need to be increased to cover the Bridge Crane.

RECOMMENDATION: Mayor and City Council consideration of approval of Option 3 - Add 2-Ton Bridge Crane alternate to the Contract at the bid price of $48,200.00.

The recommendation is based on the anticipation that the additional cost will be part of the Construction Contingency. In the event that expenditure of the Construction Contingency is required for other items necessary for the completion of the project, additional funding would be required to cover the Bridge Crane.

If either Option 2 or 3 is approved, a Change Order will be prepared and returned for approval to incorporate the change into the Contract.

RMK:ds