COUNCIL ACTION FORM

<u>SUBJECT:</u> MAIN STREET ALLEY (DOUGLAS AVENUE TO KELLOGG AVENUE)

BACKGROUND:

The Public Works Engineering Division was notified by Interstate Power and Light Company, an Alliant Energy company, about a leak in their gas main in the alley north of Main Street between Kellogg Avenue and Douglas Avenue. The leak was repaired, but they recognized that the gas main needed to be replaced. In looking at the amount of alley repair that would be needed with the replacement of the gas main, they asked Public Works staff if it would be possible to reimburse the City for the cost of the alley paving needed for their gas main replacement. Public Works was then approached by the City's Electric Services Department requesting to work in the alley to remove an underground transformer and place above-ground transformers in the area. This would involve even more pavement removal and patching in the alley.

After discussing this issue, Interstate Power and Light Company and City staff investigated the current condition of the alley and looked at how Interstate Power and Light Company's work would affect the integrity of the alley. In reviewing the condition of the alley, it was determined to be in poor condition, and any patching would not improve its condition and would likely increase maintenance. It was also noted that there appeared to be some issues with drainage in the alley.

Taking into consideration the amount of proposed removal and replacement of the alley, Interstate Power and Light Company's willingness to reimburse the City, and Electric Services' proposed work, replacing the entire alley is recommended. The alley will be replaced with eight inches of concrete in the tire path and a four-foot strip of pervious concrete in the middle of the alley (above the existing storm sewer). This approach to design would accomplish a significant reduction in long-term maintenance, and would be a sustainable approach to addressing the drainage issues, which contributed to the decreased integrity of the alley pavement.

On July 28, 2009, Council authorized staff to move forward to finalize an agreement with Interstate Power and Light Company on the reimbursement for this project.

Staff has estimated the cost of the alley to be approximately \$120,500, which includes design and administration. Public Works staff has worked with Interstate Power and Light Company and Electric Services staff to set their reimbursement amounts based on anticipated work once approval for this project is received. Interstate Power and Light Company will, with approval of this agreement, reimburse the City an amount not to exceed \$41,935.41. Electric Services will contribute \$20,000 for pavement replacement

and \$10,000 for conduit installation for the electric work required in the alley. Funding from unobligated General Obligation Bonds is available in the amount of \$48,564.59.

ALTERNATIVES:

- 1. Approve the agreement with Interstate Power and Light Company to reimburse the City in an amount not to exceed \$41,935.41, thus allowing staff to move forward with the design and reconstruction of the Main Street alley during the 2011 construction season.
- 2. Reject the agreement.

MANAGER'S RECOMMENDED ACTION:

By approving the agreement, Interstate Power and Light Company can replace a defective gas line and the alley can be repaired in an acceptable manner for area businesses and residents.

Therefore, it is the recommendation of the City Manager that the City Council accept Alternative No. 1, thereby approving the agreement with Interstate Power and Light Company to reimburse the City in an amount not to exceed \$41,935.41. This will allow staff to move forward with design and reconstruction of the Main Street alley during the 2011 construction season.