

COUNCIL ACTION FORM

SUBJECT: GRAND AVENUE EXTENSION (S. 16TH STREET NORTH 400 FT)

BACKGROUND:

The Ames Area Metropolitan Planning Organization's Long Range Transportation Plan identifies the need to extend Grand Avenue from Lincoln Way to South 16th Street. The first two phases of this extension were previously completed from Lincoln Way to Squaw Creek Drive. **This next phase involves construction of South Grand Avenue north of South 16th Street to provide access to The Grove apartments and to Coldwater Golf Links.**

On May 10, 2011, the City Council approved an agreement with the Iowa Department of Transportation (Iowa DOT) to utilize left-over federally earmarked funds for the construction of this phase, in an amount up to \$510,292. Due to the availability of these federal funds, only 20 percent of the construction cost will be required from unobligated General Obligation Bonds (G.O. Bonds). Engineering and construction administration costs are estimated in an amount of \$96,600 to be covered by G.O. Bonds, which brings total estimated project costs in an amount of \$562,890.49.

Because project funding includes federal funds, the contract must follow Iowa DOT schedules and letting. This schedule will require a contractor to begin construction in August 2011 with final completion in mid-November 2011. On Tuesday, July 19, 2011, bids were received by the Iowa DOT as follows:

<u>Bidder</u>	<u>Amount</u>
Engineer's Estimate	\$457,344.50
Con-Struct, Inc.	\$466,290.49
Peterson Contractors, Inc.	\$537,759.25
Concrete Technologies, Inc.	\$548,758.93

ALTERNATIVES:

- 1a. Accept the report of bids for the Grand Avenue Extension (S. 16th Street north 400 ft.).
- b. Approve the final plans and specifications for the Grand Avenue Extension (S. 16th Street north 400 ft.).
- c. Award the Grand Avenue Extension (S. 16th Street north 400 ft.) to Con-Struct, Inc. of Ames, Iowa, in the amount of \$466,290.49, contingent upon receipt of Iowa DOT concurrence.

2. Reject the project.

MANAGER'S RECOMMENDED ACTION:

City Council has previously agreed to facilitate the opening of a large new apartment complex that will be served by this extension. By accepting the report of bids, approving the final plans and specifications, and awarding the project, it will be possible to move forward with the Grand Avenue Extension (S. 16th Street north 400 ft) during the 2011 construction season. Delay of approval could delay the construction by at least one year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the report of bids, approving the final plans and specifications, and awarding the Grand Avenue Extension (S. 16th Street north 400 ft.) to Con-Struct, Inc. of Ames, Iowa, in the amount of \$466,290.49, contingent upon receipt of Iowa DOT concurrence.

In summary to accomplish this project, 80 percent of the construction costs estimated in an amount of \$373,032 will be covered by the left-over federal earmark funds. The remaining project costs including 20 percent of the construction as well as the engineering/construction administration will be covered by unobligated G.O. Bonds in an estimated amount of \$189,858. Prior to identifying these earmarked funds, the Council was prepared to finance the total cost of this project from unobligated balances.