

COUNCIL ACTION FORM

SUBJECT: GRANT AVENUE (HYDE AVENUE) PAVEMENT IMPROVEMENTS

BACKGROUND:

Since 2009, the City has been working with developers, land owners, and current residents within the northern growth area to plan for the installation of public infrastructure to serve this area. The northern growth area, generally located north of Bloomington Heights Subdivision to 190th Street between George Washington Carver Avenue and Ada Hayden Heritage Park, has been identified by the Council for residential development.

To facilitate this growth, Council directed that the water main and sanitary sewer main extensions to serve the area along Grant Avenue be included in the 2012/13 Capital Improvements Plan (CIP), and the 2014/15 CIP included paving of Grant Avenue.

The City will up-front the costs to design and install each of these improvements. Utility connection districts were established to recover the utility costs as developments are platted and as existing homesteads connect to these mains. The major work items for the water main and sanitary sewer were substantially completed during the fall/winter of 2014.

Street construction costs will be shared and recovered through a special assessment district. The annexation agreements previously signed between the City and the three developers (Rose Prairie, Quarry Estates, and Hunziker) confirmed these financing arrangements. **Auxiliary turning lanes in adjacent to specific developments will be the responsibility of the developer and have not been included in assessment project.**

This project also has an alternate bid item for the installation of a new 23 stall parking lot on the northwest corner of Ada Hayden Heritage Park with access from Grant Avenue. These costs are independent of the roadway project and will be funded through the Park Development Reserve designated in the 2014/15 CIP.

On May 6, 2015, bids for the project were received as follows:

<i>Bidder</i>	<i>Base Bid</i>	<i>Alternate Bid</i>	<i>Total</i>
Engineer's Roadway Estimate	\$ 2,364,702.00	\$70,821.00	\$2,435,523.00
Manatt's Inc	\$ 2,779,587.90	\$87,495.00	\$2,867,082.90
Godbersen-Smith Construction	\$ 2,935,114.05	\$74,831.00	\$3,009,945.05

Civil Design Advantage prepared plans and specification for the project and the bid alternate. Roadway project funding and estimated expenses are shown below:

	Funding	Expenses
G.O. Bonds (City's share of roadway)	\$649,750	
G.O. Bonds (Abated by Developer assessments)	\$2,175,250	
Roadway Construction		\$2,779,587.90
Engineering/Administration (Est.)		\$514,223.76
	<u>\$2,825,000</u>	<u>\$3,293,811.66</u>

The Ada Hayden parking lot alternate bid was \$87,495 with available funding of \$84,000 which included engineering/administration.

Development agreements call out the roadway costs are to be split as follows:

	<u>Estimated</u>	<u>Bid</u>	<u>Additional Costs</u>
Construction	\$2,364,702.00	\$2,779,587.90	\$414,885.90
Engineering (Est)	<u>\$437,320.00</u>	<u>\$514,223.76</u>	
	\$2,802,022.00	\$3,293,811.66	
Rose Prairie (37%)	\$1,036,748.14	\$1,218,710.31	\$181,962.17
Hunziker (23%)	\$644,465.06	\$757,576.68	\$113,111.62
City of Ames (23%)	\$644,465.06	\$757,576.68	\$113,111.62
Quarry Estates (17%)	<u>\$476,343.74</u>	<u>\$559,947.98</u>	<u>\$83,604.24</u>
	\$2,802,022.00	\$3,293,811.66	\$491,789.66

Staff is scheduling a meeting with the developers to review the cost impacts to all parties. Additionally, staff is working with the consulting engineer to determine if there are any options to reduce costs.

ALTERNATIVES:

1. a. Accept the report of bids for the Grant Avenue (Hyde Avenue) Pavement Improvements
- b. Approve final plans and specifications for the Grant Avenue (Hyde Avenue) Pavement Improvements.
2. Do not proceed with this project at this time.

MANAGER'S RECOMMENDED ACTION:

By accepting the report of bids and approving the final plans and specifications, Staff will be able to analyze the project and return at an upcoming Council meeting with a recommendation regarding how to proceed with this project.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.