

COUNCIL ACTION FORM

SUBJECT: 2016/17 US 69 IMPROVEMENTS PROGRAM (S. DUFF AVENUE SAFETY AND ACCESS PROJECT)

BACKGROUND:

On November 22, 2016, the City Council accepted the report of bids for the 2016/17 US 69 Improvements Program (S. Duff Avenue Safety and Access Project), approved the final plans and specifications for this project, and the award of the project has been delayed until December 20, 2016. Because the City received a high bid, the project was determined to be \$162,899 over budget (not including a needed contingency amount nor contract administration costs). The delay of award was to provide the extra time needed to negotiate a funding agreement for the construction phase of the project with Walmart and Hunziker to cover these increased costs.

It appears that more time will be needed to finalize these items to get approval from Walmart's corporate offices in Arkansas. **It should be noted that the City has 60 days to award the bid as of November 16, 2016. Therefore, staff is recommending that City Council table the award until the following meeting on January 10, 2017. As part of delaying action on this project, the City will need to approve a routine addendum to the Iowa DOT grant agreement that simply extends the grant eligibility deadline to the end of calendar year 2017.**

ALTERNATIVES:

1. For the 2016/17 US 69 Improvements Program (S. Duff Avenue Safety and Access Project);
 - a. Table the award of the project until January 10, 2017.
 - b. Approve the addendum to the Iowa DOT grant agreement, thereby extending the grant deadline until the end of calendar year 2017.
2. Direct staff to reject or make modifications to the project.

MANAGER'S RECOMMENDED ACTION:

By tabling the award and approving the grant addendum, it will provide the additional time for staff to complete the evaluation of plans along with the agreements for cost sharing and cross-access to determine if all three parties can fund the higher costs. Staff will bring this project back to the City Council at its January 10th meeting.

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