

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 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 the installation of water main and sanitary sewer main extensions and the paving of Grant Avenue to serve the area.

The City fronted 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 the special assessment. 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 adjacent to specific developments are the responsibility of the developer and are not included in assessment project.**

This project also had 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 were independent of the roadway project and funded through the Park Development Fund designated in the 2014/15 CIP plus savings from completed projects.

The paving project was bid on May 6, 2015 and a report of bids was presented to Council on May 12, 2015. The low bid was over the engineer's estimate and Council delayed award to discuss with the developers their desires to move forward with the project. All developers agreed that delay in award would not guarantee a reduction in cost and elected to move forward with the project. At the May 26, 2015 Council meeting, **Council awarded the contract to Manatts, Inc. of Brooklyn, Iowa in the amount of \$2,867,082.90.**

Change Order No. 1 in the amount of \$46,647.85 for base stabilization and field tile repairs and Change Order No 2, which adjusted the project completion date, were

administratively approved by staff. City Council will need to approve Change Order No. 3, the balancing change order, which is a reduction of \$152,504.40 along with final acceptance of the project.

Construction for the roadway project was completed in the amount of \$2,690,709.35. Engineering, Administration, and Acquisition costs were \$338,340.44, bringing **total roadway assessment costs to \$3,029,049.79.** Additional Engineering costs in the amount of \$65,265.96 were split as indicated below and have been paid back to the City by developers through direct invoicing.

The funding and expenses for the **roadway project** are shown below:

	<u>Funding</u>	<u>Expenses</u>
G.O. Bonds (City's share of roadway)	\$748,888.45	
G.O. Bonds (Abated by Developer assessments)	\$2,507,148.28	
Roadway Construction		\$2,690,709.35
Engineering/Administration/Acquisition		\$ 338,340.44
	\$3,293,811.66	\$3,029,049.79

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

	Bid	Actual	Difference
Rose Prairie (37%)	\$1,218,710.31	\$ 1,120,748.43	\$(97,961.88)
Hunziker (23%)	\$757,576.68	\$ 696,681.45	\$(60,895.23)
City (23%)	\$757,576.68	\$ 696,681.45	\$(60,895.23)
Quarry Est. (17%)	\$559,947.97	\$ 514,938.46	\$(45,009.51)
	\$3,293,811.64	\$3,029,049.79	\$(264,761.85)

Council also approved the add alternate bid for the construction of a parking lot adjacent to Ada Hayden park on the east side of Grant Avenue. The Ada Hayden parking lot alternate bid was \$87,495. Construction of the parking lot was completed in the amount of \$70,517.00. Engineering and administration were \$2,500 bringing **total costs for the parking lot to \$73,017.**

The funding and expenses **for the parking lot project** are shown below:

	<u>Funding</u>	<u>Expenses</u>
City of Ames Park Development Funds	\$84,000	
Savings from Completed CIP Projects	\$5,955	
Construction		\$70,517
Engineering/Administration		\$2,500
	\$89,955	\$73,517

ALTERNATIVES:

- 1a. Approve Change Order No. 3, the balancing change order, for the Grant Avenue (Hyde Avenue) Paving.
 - b. Accept the Grant Avenue (Hyde Avenue) Paving, including the bid alternate for the parking lot on the west side of Ada Hayden Park, as constructed by Manatt's Inc. of Brooklyn, Iowa, in the amount of \$2,761,226.35.
2. Direct staff to pursue modifications to the project.

MANAGER'S RECOMMENDED ACTION:

Final acceptance of the project is the first step in the special assessment process. The final special assessment process will be initiated at the February 14th Council meeting.

This project was completed in accordance with the approved plans and specifications and created the infrastructure necessary to serve this growth area.

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