

ITEM # 16
DATE 11-25-08

COUNCIL ACTION FORM

SUBJECT: SOUTHEAST 16TH STREET PAVING AND BRIDGE REPLACEMENT PROJECT

BACKGROUND:

This project was for paving the gravel portion of Southeast 16th Street from Dayton Avenue/U.S. Highway 30 interchange to approximately two blocks east of South Duff Avenue, as well as constructing a bridge over the Skunk River. A shared use path was also paved on the north side of the roadway.

On February 27, 2007, City Council awarded the contract to Peterson Contractors, Inc. in the amount of \$3,599,280.20. Considering engineering/construction administration fees and permanent easement areas for wetland mitigation and future trail, total estimated costs were \$3,942,934. Funding included \$3,200,000 from General Obligation (G.O.) Bonds and \$1,500,000 from Property Owner Assessments, bringing total project funding to an amount of \$4,700,000.

The roadway has been open to traffic since May 12, 2008, and the project is substantially complete. On November 7, 2008, Public Works received a request from Peterson Contractors, Inc. to reduce the amount of project retention from \$181,063.73 to \$25,508.49. Remaining work to be completed as part of the contract includes placement of approximately 150 tons of riprap at an estimate value of \$4,600. The amount of retention remaining meets the requirement of a minimum of 200% of the value of the work to complete that must be withheld. This request also meets criteria of Section 26.13 of the Code of Iowa for substantial completion of the project and all paperwork required, per the Code of Iowa, to approve the request has been received by the Public Works Department.

ALTERNATIVES:

1. Reduce project retainage for the Southeast 16th Street Paving and Bridge Replacement project to \$25,508.49.
2. Maintain project retainage for the Southeast 16th Street Paving and Bridge Replacement project in the amount of \$181,063.73.

MANAGER'S RECOMMENDED ACTION:

It is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby reducing the project retainage for the Southeast 16th Street Paving and Bridge Replacement project to \$25,508.49.