ITEM #: <u>11</u> DATE: <u>05-26-09</u>

COUNCIL ACTION FORM

<u>SUBJECT:</u> IOWA DOT AGREEMENT FOR REHABILITATION OF GEORGE WASHINGTON CARVER AVENUE (STANGE ROAD TO BLOOMINGTON ROAD) FROM FEDERAL STIMULUS PROGRAM

BACKGROUND:

This project is for patching and an unbonded concrete overlay of George Washington Carver Avenue from Stange Road to Bloomington Road. On March 3, 2009, the Ames Area Metropolitan Planning Organization (AAMPO) approved this project for funding under the American Recovery and Reinvestment Act (ARRA), which is also known as the Federal Stimulus. The other projects also approved were the Lincoln Way resurfacing project (Hickory Drive to 475 feet east of Marshall Avenue) and the Skunk River Shared Use Path (South River Valley Park to Carr Pool).

It is anticipated that this project will be bid in August 2009. Before the project can proceed, the City must enter into an agreement with the Iowa Department of Transportation (Iowa DOT).

This project will receive 100 percent funding for construction in the amount of \$1,000,000 from ARRA funding. However, engineering and project administration costs are not covered by this funding. Savings from prior General Obligation bond issues are available to cover the costs of these activities. Total engineering and administration costs for all three ARRA projects are estimated at \$200,000. This expenditure has been added to the 2008/09 Budget final amendments.

ALTERNATIVES:

- 1. Approve the agreement with Iowa DOT for ARRA funding of the George Washington Carver Avenue unbonded concrete overlay project (Stange Road to Bloomington Road).
- 2. Do not approve the agreement.

MANAGER'S RECOMMENDED ACTION:

Approval of this agreement will allow the City to take advantage of the Federal Stimulus Program and expedite a street improvement that was scheduled for the later years of our Capital Improvements Plan.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the agreement with Iowa DOT for ARRA funding of the George Washington Carver Avenue unbonded concrete overlay project.