

**COUNCIL ACTION FORM**

**SUBJECT: SOUTHEAST 16<sup>TH</sup> STREET PAVING AND BRIDGE REPLACEMENT PROJECT**

**BACKGROUND:**

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

Costs associated with this project are as follows. On February 27, 2007, City Council awarded the contract to Peterson Contractors, Inc. (PCI) in the amount of \$3,599,280.20. Construction was completed in the amount of \$3,665,368.89. On November 25, 2008, City Council authorized the reduction of project retainage to \$25,508.49.

Public Works coordinated with Electric Services and PCI to drill a casing for a new pole. The \$18,578.90 cost of this work was covered by Electric utility funds. Due to the flooding that occurred in spring 2008, PCI was hired to perform clean-up in the amount of \$33,590.76 that was funded through FEMA. These two expenses are included in the \$3,665,368.89 due to PCI.

Listed below is a summary of project expenses and revenues:

**Expenses**

Peterson Contractors, Inc. (PCI)	\$3,665,368.89
(includes \$18,578.90 from Electric fund and \$33,590.76 from FEMA)	
Engineering/construction administration fees (estimated)	\$ 618,000.00
Permanent easement areas (wetland mitigation & future trail)	\$ 13,654.00
Re-planting of wetland mitigation (due to mortality rate)	\$ 5,100.00
<b>Total Expenses</b>	<b>\$4,302,122.89</b>

**Revenues**

General Obligation Bonds	\$2,648,000.00
Property Owner Assessments	\$1,352,000.00
FEMA funding (actual costs for flood mitigation)	\$ 33,590.76
Electric funding (actual costs to drill a casing for a new pole)	\$ 18,578.90
Unobligated General Obligation Bonds	\$ 250,000.00
<b>Total Revenues</b>	<b>\$4,302,122.89</b>

**ALTERNATIVES:**

1. Accept the Southeast 16<sup>th</sup> Street Paving and Bridge Replacement project as completed by Peterson Contractors, Inc. of Reinbeck, Iowa, in the amount of \$3,665,368.89.
2. Direct staff to pursue modifications to the project.

**MANAGER'S RECOMMENDED ACTION:**

This project is now complete, project funding is available from G.O. bonds, and final payment is due to the contractor.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the Southeast 16<sup>th</sup> Street Paving and Bridge Replacement project as completed by Peterson Contractors, Inc. of Reinbeck, Iowa, in the amount of \$3,665,368.89.