ITEM # <u>11</u> DATE: 08-25-09

COUNCIL ACTION FORM

<u>SUBJECT:</u> NEIGHBORHOOD INFRASTRUCTURE IMPROVEMENTS PROGRAM (CURB REPLACEMENT PROGRAM)

BACKGROUND:

On March 6, 2009, the federal Department of Housing and Urban Development notified the City that we had been allocated \$130,258 of Community Development Block Grant Recovery (CDBG-R) funds as part of the American Recovery and Reinvestment Act of 2009. In order to receive CDBG-R funds, the City submitted a Substantial Amendment to its 2008-09 CDBG Annual Action Plan. As part of this amendment, \$100,000 was directed towards a Neighborhood Infrastructure Improvements Program.

The Neighborhood Infrastructure Improvements Program will focus on neighborhood curb replacement. All curb and gutter to be replaced are located in a targeted census tract where at least 51 percent of the residents have income at or below 80 percent of the Story County median income level. The goal of neighborhood curb replacement is to strengthen and improve City neighborhoods by replacing deteriorated or missing curb and gutter. This work will improve neighborhood aesthetics and reduce infiltration into the subgrade, which will lower future street maintenance costs. **Under this program, deteriorated concrete curb and gutter will be removed and replaced along South Russell Avenue from Lincoln Way to South 3rd Street.**

On Wednesday, July 8, 2009, bids were received as follows:

<u>Amount</u>
\$100,000.00
\$ 83,750.00
\$ 85,202.68
\$ 89,463.50
\$ 97,403.40
\$103,970.87

Costs for engineering and construction administration, estimated at \$5,000, will be covered with remaining funds from the Public Works Department's 2009/10 Neighborhood Curb Program.

In order to enter into a contract with the contractor, the City must first receive authority to use the CDBG-R grant funds from HUD. On August 21, 2009, the City did receive notification from HUD that it is authorized to use the grant funds and therefore, is now able to award this project. HUD will forward the Community Development Block Grant Recovery Agreement within the next few weeks.

ALTERNATIVES:

- 1a. Approve the final plans and specifications for the Neighborhood Infrastructure Improvements Program (Curb Replacement Program).
- b. Award the Neighborhood Infrastructure Improvements Program (Curb Replacement Program) to Con-Struct, Inc. of Ames, Iowa, in the amount of \$83,750.00.
- 2. Reject the project.

MANAGER'S RECOMMENDED ACTION:

This project will allow the City to utilize federal stimulus funding to strengthen and improve one residential neighborhood.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the final plans and specifications, and awarding the Neighborhood Infrastructure Improvements Program (Curb Replacement Program) to Con-Struct, Inc. of Ames, Iowa, in the amount of \$83,750.00.