

COUNCIL ACTION FORM

**SUBJECT: FEDERAL STIMULUS PROGRAM PROJECT – LINCOLN WAY
(HICKORY DRIVE TO 475 FEET EAST OF MARSHALL AVENUE)**

BACKGROUND:

This project was for patching and resurfacing Lincoln Way from Hickory Drive to 475 feet east of Marshall Avenue. 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. On July 28, 2009, the City Council awarded a contract to Manatts Inc. of Ames, Iowa, in the amount of \$577,183.62.

Change Order No. 1 in the amount of (\$2,012.30) was approved by staff to correct measurement and payment methods for the patching work. Change Order No. 2 in the amount of \$2,722.50 was approved by staff for the addition of traffic loop detector home runs. Change Order No. 3 in the amount of (\$47,133.97) is the balancing change order for the project to adjust estimated quantities to reflect actual field quantities.

The summation of Change Orders No.1, No. 2 and No. 3 reflect a net reduction to the contract of \$46,423.77, bringing the total construction cost to \$530,759.85. This project was approved to receive 100 percent funding up to \$849,652 or the actual contract award amount, whichever is less, from Federal Stimulus funding. However, engineering and project administration costs are not covered. Therefore, staff has identified savings from prior General Obligation Bond issues to cover the costs of these unbudgeted activities.

ALTERNATIVES:

1. Approve Change Orders No.1, No. 2 and No. 3 for the Federal Stimulus Program Project – Lincoln Way (Hickory Drive to 475 Feet East of Marshall Avenue) resulting in a net reduction to the contract of \$46,423.77.
2. Direct Staff to pursue other options.

MANAGER'S RECOMMENDED ACTION:

This project has now been completed, and final contract payment should be released to the contractor. The savings of \$46,423.77 will be transferred to an account administered by the Iowa DOT that will be available for use on future federally funded projects within AAMPO's jurisdiction. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving Change Orders No.1, No. 2 and No. 3 for the Federal Stimulus Program Project – Lincoln Way (Hickory Drive to 475 Feet East of Marshall Avenue) resulting in a net reduction to the contract of \$46,423.77.