

COUNCIL ACTION FORM

SUBJECT: SOUTH DAYTON AVENUE IMPROVEMENTS – DIVISION 1 & 2 FINAL ACCEPTANCE

BACKGROUND:

This project relocated South Dayton Avenue diagonally between the U.S. Highway 30/South Dayton Avenue Interchange and South Dayton Avenue/Southeast 5th Street. In addition, the project included dowel bar retrofit and grinding of the existing pavement north of the relocation to Lincoln Way. This rehabilitation was necessary due to increased truck traffic, and will extend the life of the pavement by providing better load transfer.

The realignment of South Dayton Avenue was included as part of the South Gateway Subdivision developer's agreement. As stated in the recorded document, the City of Ames was responsible for completing the connection between the re-routed and existing South Dayton Avenues.

Division 1 included work as part of the South Gateway Subdivision Developer's Agreement with all costs being the responsibility of the Developer. Division 2 included work as part of the South Dayton Avenue Improvements project included in the 2007/08 Capital Improvements. This work was the portion to connect re-routed and existing South Dayton Avenue. Division 3 also included work as part of the South Dayton Avenue Improvements project included in the 2007/08 Capital Improvements Plan. This work was the portion of rehabilitation identified as dowel bar retrofit and grinding of the existing pavement north to Lincoln Way.

On October 14, 2008, City Council awarded Division 1 and 2 to Peterson Contractors Inc., of Reinbeck, Iowa, in the amount of \$1,539,512.40 (\$649,172.10 Developer and \$890,340.30 City). City Council approved Change Orders No. 1 and 2 on February 9, 2010. Balancing Change Order No. 3 was administratively approved in accordance with City of Ames Purchasing Policies. Construction was completed in the amount of \$672,725.94 for Division 1 and \$940,417.07 for Division 2. With engineering and construction administration expenses of \$32,150, total costs for Division 1 are \$704,876. With engineering and construction administration expenses of \$112,605, total costs for Division 2 are in the amount of \$1,053,022.

On February 9, 2010, City Council accepted the South Dayton Improvements, Division 3 as completed by Manatts, Inc. of Brooklyn, Iowa, in the amount of \$104,717.08. Division 3 was completed with total expenses, including engineering and administration, in the amount of \$125,660.08.

Division 1 costs are the responsibility of South Dayton LC as defined in the South Gateway Developer's Agreement. The City's total cost for Divisions 2 and 3 is \$1,178,682. Total financing of \$1,177,486 is available from General Obligation (G.O.) Bonds. The sales tax refund for Division 2 is estimated to be \$19,600, which will more than cover the slight shortfall in G.O. bond funding.

ALTERNATIVES:

1. Accept the South Dayton Avenue Improvements project (Division 1 and 2) as completed by Peterson Contractors Inc., of Reinbeck, Iowa in the amount of \$1,613,143.01.
2. Direct staff to pursue other options.

MANAGER'S RECOMMENDED ACTION:

This work was required to facilitate construction of these South Dayton Avenue improvements. The work has now been completed and final contract payment should be released to the contractor.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the South Dayton Avenue Improvements project (Divisions 1 and 2) as completed by Peterson Contractors Inc., of Reinbeck, Iowa in the amount of \$1,613,143.01.