

COUNCIL ACTION FORM

SUBJECT: SUNSET RIDGE SUBDIVISION – 5th ADDITION HMA PAVING PROJECT

BACKGROUND:

Sunset Ridge Subdivision is the residential development located north of Lincoln Way at the west corporate limits. As part of the original Developer's Agreement approved by City Council in 2005, the developer assumed responsibility for costs associated with utility and street extensions within the subdivision, while the City agreed to bear the costs of the extra width and thickness of the pavement for the Collector Streets within the subdivision (Wilder Avenue and Westfield Road). Since approval of this agreement, Iowa bid laws have been updated to require projects having any City funding to be bid by the City. This has led the City to work with developers to come up with comparable trade-off projects that meet the intended financial obligations at the least overall cost.

On October 23, 2012, City Council approved a supplemental agreement that includes an updated means for the City to meet its financial obligations under the 2005 agreement. An option within the agreement is for the parties to mutually agree for the City to construct a single public improvement project at a cost equal to the total cost of the extra width and extra thickness for the collector streets (beyond that of a local street). A project that fulfills this obligation involves construction of the asphalt pavement within the Sunset Ridge Subdivision 5th Addition project.

Fox Engineering has completed plans and specifications for this project with estimated construction costs of \$169,420. The project will be financed with unobligated G.O. Bonds remaining from the completed 2010/11 Concrete Street Pavement Improvements Program. Construction administration is estimated in the amount of \$10,000, bringing total estimated costs to \$179,420. This amount is equal to the estimated costs of the extra width and depth of collector street paving that the City was obligated to finance under the original Developer's Agreement.

ALTERNATIVES:

1. Approve the Sunset Ridge Subdivision – 5th Addition HMA Paving project by establishing September 18, 2013, as the date of letting and September 24, 2013, as the date for report of bids.
2. Do not proceed with this project.

MANAGER'S RECOMMENDED ACTION:

By moving forward with this project at this time, these street improvements will be completed during this calendar year. This will fulfill the City's financial commitment outlined in the second Supplemental Agreement, and will facilitate the development of additional residential lots in west Ames.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the Sunset Ridge Subdivision – 5th Addition HMA Paving by establishing September 18, 2013, as the date of letting and September 24, 2013, as the date for report of bids.