

**COUNCIL ACTION FORM**

**SUBJECT: 2014/15 CONCRETE PAVEMENT IMPROVEMENTS CONTRACT #2  
(RIDGEWOOD AVENUE, 9<sup>TH</sup> STREET & PARK WAY)**

**BACKGROUND:**

This annual program is to remove and replace concrete street sections that have deteriorated in order to provide enhanced rideability to residents and visitors.

The 2014/15 program locations were Hayward Avenue (Hunt Street to Lincoln Way), Ridgewood Avenue (9<sup>th</sup> Street to 13<sup>th</sup> Street), and 9<sup>th</sup> Street (Northwestern Avenue to Brookridge Avenue). Work consisted of pavement reconstruction, storm and sanitary sewer improvements. Water mains on Hayward Avenue, Ridgewood Avenue, Park Way (Ridgewood Avenue to Brookridge Avenue) and 9<sup>th</sup> Street (Ridgewood Avenue to Brookridge Avenue) were also replaced. **This specific project was for the improvements on Ridgewood Avenue, 9<sup>th</sup> Street and Park Way.**

On February 24, 2015 City Council awarded the project to Keller Excavating LLC of Boone, Iowa, in the amount of \$1,264,261. Change Order No. 1, a deduction of \$20,476.28, was administratively approved and reflects actual quantities installed in the field including removing the street improvements to 9<sup>th</sup> Street. An explanation follows under contractor performance below. Actual quantities associated with subgrade stabilization on Ridgewood Avenue were higher than plan quantity due to unstable and moist conditions. Construction was completed in the amount of \$1,243,784.72.

The overall 2014/15 Concrete Pavement Improvements Program includes funding and expenses as shown below:

<b><i>Program Funding Summary</i></b>	Total Funding	<i>Distribution per Location</i>	
		Ridgewood Ave, 9th St, Park Way	Hayward Ave
14/15 Concrete Pavement Improvements			
GO Bonds	\$ 1,655,000.00	\$ 1,055,000.00	\$ 600,000.00
Road Use Tax funds	\$ 50,000.00	\$ -	\$ 50,000.00
Electric Utility funds	\$ 21,000.00	\$ -	\$ 21,000.00
14/15 Water System Improvements (Water Utility fund)	\$ 515,000.00	\$ 385,000.00	\$ 130,000.00
13/14 Sanitary Sewer Rehab Program (Sanitary Sewer Utility fund)	\$ 57,397.00		\$ 57,397.00
14/15 Sanitary Sewer Rehab Program (Sanitary Sewer Utility fund)	\$ 22,000.00	\$ 22,000.00	\$ -
15/16 Sanitary Sewer Rehab Program (Sanitary Sewer Utility fund)	\$ 65,506.63		\$ 65,506.63
13/14 Neighborhood Curb Replacement Program	\$ 24,500.00	\$ 24,500.00	\$ -
11/12 Asphalt Pavement Improvements (project savings)	\$ 380,000.00	\$ 80,000.00	\$ 300,000.00
14/15 Storm Sewer Improvements (Storm Sewer Utility fund)	\$ 177,000.00	\$ -	\$ 177,000.00
<b>Totals</b>	<b>\$ 2,967,403.63</b>	<b>\$ 1,566,500.00</b>	<b>\$ 1,400,903.63</b>
<b><i>Program Expense Summary</i></b>			
	Total Expenses		
Engineering (actual)		\$ 248,757.00	\$ 232,955.00
Construction Costs (actual)		\$ 1,243,784.72	\$ 1,164,775.92
<b>Totals</b>	<b>\$ 2,890,272.64</b>	<b>\$ 1,492,541.72</b>	<b>\$ 1,397,730.92</b>

Any remaining funds from this program will be used on additional projects in the future.

### **CONTRACTOR PERFORMANCE**

The contractor installed the new water main and services in accordance with the project plans and specifications. However, during excavation for the installation of the water main and these services, the contractor repeatedly damaged private utility lines providing telephone, cable and internet services to residents. This was due to blatant disregard to utility locates and/or reckless excavation techniques. The contractor received five written notices of non-compliance for violations to City specifications and work site safety. Staff spent an extraordinary amount of time attempting to correct project site issues created by the contractor and explaining to residents why they were without certain private utility services. In addition, due to the contractor's lack of diligent and continuous work, the street improvements for 9<sup>th</sup> Street were incomplete up to the onset of winter weather, ultimately stopping project progress without completion of the 9<sup>th</sup> Street improvements. **Considering the contractor's subpar performance to date and the rising frustration with the neighborhood, staff determined it best to not proceed into 9<sup>th</sup> Street improvements with this contractor as part of this project. These improvements will be included in a future roadway improvement project.**

This explanation is provided as a notice to both the City Council and the contractor. Should this contractor be the lowest responsive bidder on a future contract, they will be eligible for contract award but will be monitored very carefully and should their performance again fall below the City's expectations, staff will actively work to determine the potential of barring this contractor from future City bids.

### **ALTERNATIVES:**

1. Accept the 2014/15 Concrete Pavement Improvements Contract #2 (Ridgewood Avenue, 9th Street and Park Way) as completed by Keller Excavating LLC of Boone, Iowa, in the amount of \$1,243,784.72.
2. Direct staff to pursue modification to the project.

### **MANAGER'S RECOMMENDED ACTION:**

The project has now been completed in accordance with approved plans and specifications, and is within the approved budget.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.