

**COUNCIL ACTION FORM**

**SUBJECT:** TEAGARDEN AREA DRAINAGE IMPROVEMENTS

**BACKGROUND:**

In preparing the Teagarden Area Drainage Improvements, a Request for Proposal was issued for design service. On August 26, 2016 the City Council approved an agreement with Bolton & Menk Inc. for the design of these improvements in an amount not to exceed \$69,500. Bolton & Menk Inc. has been working on this design phase since 2016. City staff had been working with the owners of the two properties involved in the project where the improvements are planned. Bolton and Menk submitted check plans (60% of the design completion) for the City staff to review in 2018. At the time of that plan submittal, it was found that one of the properties was sold and the new owner disagreed with the chosen design solution.

Due to the additional design effort needed in working with the property owners, on November 27, 2018, the City Council approved additional professional services in an amount not to exceed \$21,500. New design solutions were developed and reviewed with the owners and were agreed upon. Bolton & Menk Inc. completed plans and specification for this contract with a total estimated construction cost of \$245,230. Engineering and construction administration costs are estimated at \$115,500, bringing the **total estimated costs to \$360,730.**

On April 17, 2019, bids for the project were received as follows:

<i><b>Bidder</b></i>	<i><b>Amount</b></i>
Engineer's estimate	\$360,730.00
Con-Struct, Inc.	\$333,494.00
Keller Excavating	\$491,721.00

Revenue and expenses associated with this program are estimated as follows:

	<b>Available Revenue</b>	<b>Estimated Expenses</b>
Storm Sewer Utility Fund (carried over)	\$ 430,692.00	
G.O Bonds	\$ 503,063.00	
Construction (Low Bid)		\$ 333,494.00
Engineering/Administration (Est.)		\$ 115,500.00
	<u>\$ 933,755.00</u>	<u>\$ 448,994.00</u>

**ALTERNATIVES:**

1. a. Accept the report of bids for the Teagarden Area Drainage Improvements Project.  
b. Motion continuing the public hearing to the May 14, 2019, City Council meeting.
2. Award the contract without having received the signed easements.
3. Do not proceed with this project.

**MANAGER'S RECOMMENDED ACTION:**

**The required permanent and temporary construction easements have been given to the property owners, but it is anticipated that they will not be signed and returned before the City Council meeting on April 23, 2019. Bids can be reported and accepted but a recommendation for project award will be delayed until the easements are signed and received. It is expected that the recommendation for award will be brought back to City Council at the May 14<sup>th</sup> meeting.**

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