

**COUNCIL ACTION FORM**

**SUBJECT: 2018/19 SANITARY SEWER REHABILITATION (WILSON AVENUE AND 15<sup>TH</sup> STREET)**

**BACKGROUND:**

This is the annual program for rehabilitation/reconstruction of deficient sanitary sewers and deteriorated manholes at various locations throughout the City. The goal of this program is to identify and remove major sources of inflow/infiltration as a means of lowering the peak wet weather flow at the treatment plant. **On November 27, 2018, City Council awarded the contract to Synergy Contracting, LLC of Bondurant, Iowa, in the amount of \$2,663,751.50.**

On October 31, 2019, **the project was substantially completed, with only minimal work remaining.** On November 18, 2019, **Public Works received a request from Synergy Contracting, LLC to reduce the amount of project retainage.** Remaining work to be completed as part of the contract includes heavy cleaning, cured-in-place pipe lining, service work on Wilson Avenue, and miscellaneous work (punch list items) throughout the project. **The remaining work has an estimated value of \$47,051.85.**

There is a requirement that a minimum of **200% of the value of the work remaining must be withheld as retainage, which would be \$94,103.70.** This request meets criteria of Iowa Code Section 26.13 for substantial completion of the project. All paperwork required to approve the request has been received by the Public Works Department.

**ALTERNATIVES:**

1. Reduce project retainage for the 2018/19 Sanitary Sewer Rehabilitation (Wilson and 15<sup>th</sup>) project to \$94,103.70.
2. Maintain project retainage for the 2018/19 Sanitary Sewer Rehabilitation (Wilson and 15<sup>th</sup>) project in the amount of \$121,608.68.

**MANAGER'S RECOMMENDED ACTION:**

The value of remaining work is substantially less than the original contract, and the Code of Iowa requires the City to reduce the retainage being withheld under these circumstances to reflect the lower value of the remaining work.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby reducing the project retainage for the 2018/19 Sanitary Sewer Rehabilitation (Wilson and 15<sup>th</sup>) project to \$94,103.70.