

**COUNCIL ACTION FORM**

**SUBJECT: 2019/20 SANITARY SEWER REHABILITATION (MUNN WOODS)**

**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 October 8, 2019, City Council awarded the contract to Visu-Sewer, Inc. of Pewaukee, Wisconsin in the amount of \$2,190,212.40.**

**On November 27, 2020, the project was substantially completed, with only minimal work remaining. On January 7, 2021, Public Works received a request from Visu-Sewer, Inc. to reduce the amount of project retainage.** The amount currently held in retainage is \$111,068.57. Remaining work to be completed as part of the contract includes spot liner, seeding, erosion control, temporary erosion control matting, bramble bush barrier, and miscellaneous work (punch list items) throughout the project. The remaining work has an estimated value of \$35,000. **There is a requirement that a minimum of 200% of the value of the work remaining must be withheld as retainage, which would be \$70,000.**

This request meets criteria of Section 26.13 of the Code of Iowa for substantial completion of the project. All paperwork required per the Code of Iowa to approve the request has been received by the Public Works Department. Final acceptance of the contract and release of the remaining retainage will be presented to the City Council once the remaining work is complete.

**ALTERNATIVES:**

1. Reduce project retainage for the 2019/20 Sanitary Sewer Rehabilitation (Munn Woods) project to \$70,000.
2. Maintain project retainage for the 2019/20 Sanitary Sewer Rehabilitation (Munn Woods) project in the amount of \$111,068.57.

**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 2019/20 Sanitary Sewer Rehabilitation (Munn Woods) project to \$70,000.