



TO: Michael C. Van Milligen, City Manager

FROM: Gus Psihoyos, City Engineer *gsp*

DATE: December 16, 2014

SUBJECT: SRF Green Alley - Bid Set 3 Year 1 Project
(CIP 7102450)

INTRODUCTION

The enclosed resolution provides for the acceptance of the construction contract and the establishment of the Final Schedule of Assessments for the SRF Green Alley - Bid Set 3 Year 1 Project.

BACKGROUND

Construction of permeable paver alleys will reduce the volume and peak flow of runoff to the Mississippi River while also reducing the pollutant load associated with stormwater runoff. As part of the restructuring of the State Revolving Fund (SRF) loan with the Iowa Department of Natural Resources, \$9.4 million was allocated to reconstruct 73 alleys in the Bee Branch Watershed. These alleys are to be reconstructed over the next two years.

The SRF Green Alley - Bid Set 3 Year 1 Project involved the reconstruction of nine alleys in the Bee Branch Watershed. The alley locations are as follows:

- Johnson Street to Marshall Street (Between Rhomberg Avenue and Lincoln Avenue) – 9 blocks

The SRF Green Alley Project Bid Set 3 Year 1 was completed by Drew Cook and Sons Excavating of Dubuque, Iowa, in the final contract amount of \$542,386.92, which is an 8.2% decrease from the original contract of \$590,556.50.

RECOMMENDATION

I recommend that the City Council accept the improvements and establish the final contract at \$542,386.92 and adopt the Final Schedule of Assessments for the SRF Green Alley - Bid Set 3 Year 1 Project.

BUDGET IMPACT

The project cost summary for the SRF Green Alley Project Project Bid Set 3 Year 1 is as follows:

	<u>Award</u>	<u>Final</u>
Construction Contract	\$590,556.50	\$542,386.92
Contingency	59,055.65	0.00
Construction Engineering & Inspection	<u>97,441.82</u>	<u>81,358.04</u>
Total Project Cost	<u>\$747,053.97</u>	<u>\$623,744.96</u>

The project funding summary is as follows:

<u>CIP No.</u>	<u>Fund Description</u>	<u>Fund Amount</u>
7102450	SRF Green Alley Project	\$531,491.23
	Special Assessment – Alley Improvement, Residential	85,827.10
	Special Assessment – Alley Improvement, Commercial	6,426.63
	Total Project Funding	<u>\$623,744.96</u>

SPECIAL ASSESSMENTS

Based upon final construction costs, the total amount of special assessments for alley improvements is in the amount of \$92,253.73, which is 34.3% (\$48,151.96) below the preliminary special assessment estimate that was presented to the property owners and approved at the project public hearing. The average preliminary assessment was \$930. The average final assessment is \$610.95.

FINANCIAL ASSISTANCE

Low- to moderate-income property owners subject to alley assessment will be eligible for financial assistance ranging from 20 to 100 percent of the alley assessment for the owner-occupied resident property depending on family size and income level. This financial assistance program is made available through the One Percent Local Option Sales Tax.

To allow sufficient administrative time to process financial assistance applications for low- to moderate-income families, eligible property owners will be given approximately 30 days from the date of mailing the Notice of Filing the Final Schedule of Assessments to apply for financial assistance that may reduce the amount of the assessment payable by the property owner.

During this 30-day period, assessments may be paid in full or in part without interest at the City of Dubuque, Office of the City Treasurer. After approximately 30 days, any unpaid assessment will be levied against said benefited property with the Dubuque

County Treasurer and will be payable in 15 annual installments at the County Treasurer's Office, and will draw annual interest at three percent (3%).

Attached is the financial assistance chart that the City uses in determining financial aid availability for your reference. This chart is updated every year based on the US Department of Housing and Urban Development (HUD) guidelines.

FINAL ASSESSMENT SCHEDULE

The schedule for the Final Assessment process is as follows:

Council Approve Final Schedule of Assessments		January 5, 2015
Mail Final Special Assessments Notice to Property Owners		January 9, 2015
Mail Financial Assessment Information to Property Owners		January 9, 2015
Publish Notice of Final Assessment	1 st Publication:	January 9, 2015
	2 nd Publication:	January 16, 2015
Deadline for Financial Assistance Applications		February 13, 2015
Deadline for Paying Assessment to City, Without Interest		February 20, 2015

ACTION TO BE TAKEN

The City Council is requested to adopt the attached resolutions accepting the improvements, approving the Final Schedule of Assessments, establishing the final contract amount of \$542,386.92, and for the payment of the contract amount to Drew Cook and Sons Excavating for the SRF Green Alley - Bid Set 3 Year 1 Project.

Prepared by Jon Dienst, PE

cc: Jenny Larson, Budget Director
Don Vogt, Public Works Director
John Klostermann, Street & Sewer Maintenance Supervisor
Deron Muehring, Civil Engineer II
Denise Ihrig, Environmental Engineer