

**TO:** The Honorable Mayor and City Council Members  
**FROM:** Michael C. Van Milligen, City Manager  
**SUBJECT:** SRF Green Alley Bid Set 7 – Year 1  
**DATE:** January 11, 2016

City Engineer Gus Psihoyos is recommending acceptance of the construction contract for the SRF Green Alley Bid Set 7-Year 1 Project, as completed by McDermott Excavating, Inc., in the final contract amount of \$220,217.57, which is a 4.2% increase over the original contract in the amount of \$211,357.38, due to a sanitary sewer lateral that needed to be repaired during the project. Normally sewer laterals are assessed to the property owner they serve but this lateral served a house the City rehabilitated and sold recently to a low to moderate income individual who qualified for 100% assistance.

It is further recommended that the City Council adopt the Final Schedule of Assessments in the amount of \$30,586.99, which is 16.4% below the preliminary special assessment estimates. The average final assessment is \$899.62

I concur with the recommendation and respectfully request Mayor and City Council approval.

  
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Michael C. Van Milligen

MCVM:jh  
Attachment

cc: Barry Lindahl, City Attorney  
Cindy Steinhauser, Assistant City Manager  
Teri Goodmann, Assistant City Manager  
Gus Psihoyos, City Engineer