



TO: Michael C. Van Milligen, City Manager
FROM: Gus Psihoyos, City Engineer
DATE: April 5, 2016
SUBJECT: SRF Green Alley - Bid Set 2 Year 2 Project
(CIP 7102450, 3401654)

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 2 Year 2 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 a three year period.

Bid Set 2 – Year 2 will involve the reconstruction of eight (8) alleys in the Bee Branch Watershed. The alley locations are as follows:

- Alley from Loras Blvd. to Fillmore St between Adair Street and North Grandview Avenue
- Alley from Fillmore Street to Decorah Street between Adair Street and North Grandview Avenue
- Alley from Decorah Street to Delaware Street between Adair Street and North Grandview Avenue
- Alley from Custer Street to Loras Blvd. between North Grandview Avenue and Atlantic Street (This alley includes water main that will be replaced)
- Alley from Loras Blvd. to Fillmore Street between North Grandview Avenue and Atlantic Street
- Alley from Fillmore Street to Decorah Street between North Grandview Avenue and Atlantic Street
- Alley from Decorah Street to Delaware Street between North Grandview Avenue and Atlantic Street
- Alley from Poplar Street to Bunker Hill Road between Asbury Road and Finley Street

The SRF Green Alley Project Bid Set 2 Year 2 was completed by Drew Cook and Sons Excavating of Dubuque, Iowa, in the final contract amount of \$838,960.44, which is a 16.6% decrease under the original contract of \$1,006,608.30. This decrease is primarily due to reduced excavation and stone quantity required for this project.

RECOMMENDATION

I recommend that the City Council accept the improvements and establish the final contract at \$838,960.44 and adopt the Final Schedule of Assessments for the SRF Green Alley - Bid Set 2 Year 2 Project.

BUDGET IMPACT

The project cost summary for the SRF Green Alley Project Project Bid Set 2 Year 2 is as follows:

	<u>Award</u>	<u>Final</u>
Construction Contract	\$1,006,608.30	\$838,960.44
Contingency	100,660.83	0.00
Construction Engineering & Inspection	<u>124,078.19</u>	<u>218,811.63</u>
Total Project Cost	<u>\$1,231,347.32</u>	<u>\$1,099,720.09</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	\$934,598.22
3401654	Combined Utilities	67,702.95
	Special Assessment – Alley Improvement, Residential	97,418.92
	Special Assessment – Alley Improvement, Commercial	0.00
	Total Project Funding	<u>\$1,099,720.09</u>

SPECIAL ASSESSMENTS

Based upon final construction costs, the total amount of alley improvement special assessments for alley improvements is in the amount of \$97,418.92, which is equal to the preliminary special assessment estimate that was presented to the property owners and approved at the project public hearing. The average final assessment is \$1,316.00.

Even though there were savings in the final construction costs versus what was awarded, the savings realized were on items not assessed to the abutting residents. In addition, the awarded unit prices of the items assessed to the abutting residents were higher than estimated for the preliminary assessment. Therefore, the final assessments equal the preliminary assessments which follows the City of Dubuque's special assessment policy.



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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 any balance over \$500 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		April 18, 2016
Mail Final Special Assessments Notice to Property Owners		April 22, 2016
Mail Financial Assessment Information to Property Owners		April 22, 2016
Publish Notice of Final Assessment	1 st Publication:	April 22, 2016
	2 nd Publication:	April 29, 2016
Deadline for Financial Assistance Applications		May 20, 2016
Deadline for Paying Assessment to City, Without Interest		May 23, 2016

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 \$838,960.44, and for the payment of the contract amount to Drew Cook and Sons Excavating for the SRF Green Alley - Bid Set 2 Year 2 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