

TO: Michael C. Van Milligen, City Manager

FROM: Gus Psihoyos, City Engineer 

DATE: November 13, 2017

RE: SRF Green Alley Bid Set 4 – Year 3
(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 4 – Year 3 Project.

DISCUSSION

Bid Set 4 – Year 3 involved the reconstruction of an alley in the Bee Branch Watershed. The alley location is as follows:

- Alley between Jackson St. and Washington St. from 22nd St. to 24th St.

This project was the fourth bid set of green alleys slated for year 3 in the Bee Branch Watershed. This bid set was developed by WHKS. City staff performed construction management and inspection.

The reconstruction of the alley included:

- Removal of the existing alley pavement
- Excavation of the subgrade to allow the placement of clean washed stone for a storage medium
- Installation of a concrete border for the brick pavers
- Installation of concrete headers at the alley intersection with the intersecting streets.
- Reconstruction of the pavement surface with interlocking concrete pavers
- Lining of the sanitary sewer main
- Inspection of sanitary sewer laterals
- Replacement of water main valves and hydrants
- Replacement of lead water services with copper water services

The SRF Green Alley Project Bid Set 4 Year 3 was completed by Portzen Construction, Inc. of Dubuque, Iowa in the final contract amount of \$402,089.01, which is 18.90% under the original contract of \$495,809.75. The project came under contract due to reduced sanitary sewer repairs required. The final project included epoxy lining the sewer main rather than doing full replacement of the sewer main, saving substantial costs.

BUDGET IMPACT

The project cost for the SRF Green Alley Bid Set 4 – Year 3 Project is as follows:

	<u>Award</u>	<u>Final</u>
Construction Contract	\$495,809.75	\$402,089.01
Contingency	65,294.00	0.00
Construction Engineering & Inspection	<u>107,735.10</u>	<u>94,213.35</u>
Total Project Cost	<u>\$668,838.85</u>	<u>\$496,302.36</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	\$ 291,523.81
7402526	SRF Green Alley - Water	24,144.83
3401654	Bee Branch Utilities	127,542.44
	Special Assessment – Alley Improvement, Residential	41,427.53
	Special Assessment – Alley Improvement, Commercial	640.95
	Special Assessment – Residential Deficiency	0.00
	Private Lead Water Service Replacement	11,022.80
	Total Project Funding	<u>\$496,302.36</u>

SPECIAL ASSESSMENTS

Based upon final construction costs, the total amount of public improvement special assessments for alley improvements is in the amount of \$42,068.48. This is 23.7% less than the preliminary special assessment estimate that was presented to the property owners and approved at the project public hearing. The average final public improvement assessment is \$858.54.

The private water service special assessments are higher than what was stated on the preliminary assessment form. This was due to longer lengths of copper pipe required for some services. There were ten (10) private water services replaced for an average cost of \$1,102.28.

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	November 20, 2017
Mail Final Special Assessments Notice to Property Owners	November 29, 2017
Mail Financial Assessment Information to Property Owners	November 29, 2017
Publish Notice of Final Assessment	1 st Publication: November 29, 2017
	2 nd Publication: December 6, 2017
Deadline for Financial Assistance Applications	December 27, 2017
Deadline for Paying Assessment to City, Without Interest	December 29, 2017

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 \$402,089.01, and for the payment of the contract amount to Portzen Construction for the SRF Green Alley - Bid Set 4 Year 3 Project.

Prepared by Jon Dienst, PE

cc: Jenny Larson, Budget Director
Jean Nachtman, Finance Director
John Klostermann, Public Works Director

Denise Ihrig, Water Department Manager
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