

**TO:** Michael C. Van Milligen, City Manager

**FROM:** Gus Psihoyos, City Engineer



**DATE:** May 22, 2015

**SUBJECT:** SRF Green Alley Bid Set 1 – 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 1 – Year 3 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.

Bid Set 1 – Year 3 involved the reconstruction of six alleys in the Bee Branch Watershed. The alley locations are as follows:

- Alley between White St. and Jackson St. from 16<sup>th</sup> St. to 17<sup>th</sup> St.
- Alley between White St. and Jackson St. from 18<sup>th</sup> St. to 19<sup>th</sup> St.
- Alley between White St. and Jackson St. from 19<sup>th</sup> St. to 20<sup>th</sup> St.
- Alley between White St. and Jackson St. from 20<sup>th</sup> St. to 21<sup>st</sup> St.
- Alley between White St. and Jackson St. from 21<sup>st</sup> St. to 22<sup>nd</sup> St.
- Alley between Jackson St. and Washington St. from 18<sup>th</sup> St. to 19<sup>th</sup> St.

The SRF Green Alley Project Bid Set 1 Year 3 was completed by Portzen Construction, Inc. of Dubuque, Iowa, in the final contract amount of \$1,178,663.52, which is 5.1% under the original contract of \$1,241,829.00.

**RECOMMENDATION**

I recommend that the City Council accept the improvements and establish the final contract at \$1,178,663.52 and adopt the Final Schedule of Assessments for the SRF Green Alley - Bid Set 1 Year 3 Project.

**BUDGET IMPACT**

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

	<u>Award</u>	<u>Final</u>
Construction Contract	\$1,241,829.00	\$1,178,663.52
Contingency	111,244.00	0.00
Construction Engineering & Inspection	<u>183,552.60</u>	<u>117,866.35</u>
<b>Total Project Cost</b>	<b><u>\$1,536,625.60</u></b>	<b><u>\$1,296,529.88</u></b>

The project funding summary is as follows:

<u>CIP No.</u>	<u>Fund Description</u>	<u>Fund Amount</u>
7102450	SRF Green Alley Project	\$ 800,404.30
3401654	SRF Green Alley - Utilities	403,642.15
	Special Assessment – Alley Improvement, Residential	59,140.35
	Special Assessment – Alley Improvement, Commercial	25,123.83
	Special Assessment – Residential Deficiency	0.00
	Private Lead Water Service Replacement	8,219.25
	<b>Total Project Funding</b>	<b><u>\$1,296,529.88</u></b>

**SPECIAL ASSESSMENTS**

Based upon final construction costs, the total amount of alley improvement special assessments (not including voluntary assessments for extra work) for alley improvements is in the amount of \$84,264.18, which is equal to the the preliminary special assessment estimate that was presented to the property owners and approved at the project public hearing. The average final assessment is \$859.84. The private water service special assessments are lower than what was stated on the preliminary assessment form. There were 12 private water services replaced for an average cost of \$684.94.

**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 7, 2016
Mail Final Special Assessments Notice to Property Owners	November 11, 2016
Mail Financial Assessment Information to Property Owners	November 11, 2016
Publish Notice of Final Assessment	1 <sup>st</sup> Publication: November 11, 2016
	2 <sup>nd</sup> Publication: November 18, 2016
Deadline for Financial Assistance Applications	December 12, 2016
Deadline for Paying Assessment to City, Without Interest	December 14, 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 \$1,178,663.52, and for the payment of the contract amount to Portzen Construction, Inc. for the SRF Green Alley - Bid Set 1 Year 3 Project.

Prepared by Jon Dienst, PE

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