

**COUNCIL ACTION FORM**

**SUBJECT: TEAGARDEN AREA DRAINAGE IMPROVEMENTS**

**BACKGROUND:**

In preparing the Teagarden Area Drainage Improvements, a Request for Proposals was issued for design services. On August 26, 2016, the City Council approved an agreement with Bolton & Menk, Inc. for the design of these improvements in an amount not to exceed \$69,500. City staff had been working with the owners of the two properties involved in the project where the improvements are planned. Bolton and Menk submitted check plans (60% of the design completion) for the City staff to review in 2018. At the time of that plan submittal, it was found that one of the properties was sold and the new owner disagreed with the chosen design solution.

Due to the additional design effort needed in working with the property owners, on November 27, 2018, the City Council approved additional professional services in an amount not to exceed \$21,500. New design solutions were developed and reviewed with the owners and were agreed upon. Bolton & Menk, Inc. completed plans and specifications for this contract with an estimated construction cost of \$360,730. An invitation to bid for construction of the improvements was issued, and on April 17, 2019, bids for the project were received as follows:

<b>Bidder</b>	<b>Amount</b>
<i>Engineer's Estimate</i>	\$360,730.00
Con-Struct, Inc.	\$333,494.00
Keller Excavating	\$491,721.00

Revenue and expenses associated with this program are estimated as follows:

	<b>Available Revenue</b>	<b>Estimated Expenses</b>
Storm Sewer Utility Fund (carried over)	\$ 430,692.00	
G.O. Bonds	\$ 503,063.00	
Construction (Low Bid)		\$ 333,494.00
Engineering/Administration (Est.)		\$ 115,500.00
	<u>\$ 933,755.00</u>	<u>\$ 448,994.00</u>

**The award of this bid has been delayed as staff worked with the property owners to complete the required granting of easements. The property owners have now signed the necessary easement agreements to proceed with awarding the construction bid.**

**ALTERNATIVES:**

1. Award the contract for the Teagarden Area Drainage Improvements Project to Con-Struct, Inc. of Ames, Iowa in the amount of \$333,494.00
2. Do not proceed with this project.

**CITY MANAGER'S RECOMMENDED ACTION:**

All property owners have signed easements related to this project. Awarding the contract as bid on April 17, 2019 will enable this drainage-priority project to be completed during the current 2019 construction season. Remaining funds will be used for contingencies on this project and drainage improvements on the middle branch waterways in the Teagarden area as a separate project.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.