

MARSHALLTOWN

I O W A

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TO: Mayor Greer and City Council
FROM: Heather Thomas, Public Works Director
DATE: October 10, 2022
RE: South 7th Avenue Extension Project (ECO 22-001)

Policy Issue: Iowa Code requires horizontal infrastructure public projects of this size to go through a competitive bidding process. City purchasing policy dictates City Council approval.

| | |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Goal 1: Expand and improve development | <input type="checkbox"/> Goal 3: Continually improve the City's organization & services |
| <input type="checkbox"/> Goal 2: Enhance Marshalltown's public image | <input type="checkbox"/> Goal 4: Partner with others to improve quality of life |

Specific Objective/Action: Objective 4 – Proactively prepare for development of all types - Construct South 7th Avenue Extension (south of Olive Street)

Recommendation: Staff recommends accepting the low bid of Con-Struct for the South 7th Avenue Extension Project (ECO 22-001) in the amount of \$ 764,476.00.

Budget Impact: The city portion of this project is currently estimated at \$671,776.00 and is proposed to utilize the following funding sources. This construction budget shown below allows for approximately 10% for construction contingency, in case change orders arise during construction.

| | As approved in CIP / FY 23 Budget | Public Hearing Proposal | City-Share Construction Budget |
|---------------------------|--------------------------------------|-------------------------------|-----------------------------------|
| Road Use Tax | \$ 236,000 | \$ 314,145 | \$149,985 |
| LOST | \$ 284,235 | \$ 279,000 | \$279,000 |
| Sanitary Sewer Enterprise | \$ 63,360 | \$ 50,360 | \$ 74,610 |
| Storm Sewer Enterprise | \$ 236,405 | \$ 236,405 | \$ 236,405 |
| TOTAL | \$ 820,000 | \$879,910 | \$740,000 |

Note on as-bid utility costs. Plan to pay sanitary sewer expenses in full from enterprise fund and storm sewer to the budgeted amount only.

Sanitary Sewer Items: \$74,610.00

Storm Sewer Items: \$245,690.00

CITY COUNCIL

Al Hoop, Gabriel Isom, Barry Kell, Mike Ladehoff,
 Jeff Schneider, Gary Thompson, Dex Walker



Description/Background: The S 7th Avenue Extension Project is a public/private partnership to extend S 7th Avenue south approximately 660 feet from the current dead end just south of E Olive Street to provide street access to a high-density residential development project. The street will be constructed as a 31' residential PCC street with sidewalks on both sides and necessary water, storm sewer, and sanitary sewer infrastructure. The street extension is located on the property such that it can be further extended to additional undeveloped land currently zoned as medium-density residential. City council approved the Development Agreement with Ryan Huegerich "Developer" on July 13, 2021 that requires the Developer to prepare stamped plans and specifications for the project; dedicate the street right-of-way at zero cost to the city; and be responsible for the installation of public water main. The city would in turn provide for the construction of the street, storm sewer, and sanitary sewer.

Phase 1 of the Development project has been submitted for building permits to include a two-building apartment complex for a total of 72 units. An additional phase or phases is in planning. The Developer has relayed to the city a goal of some level of occupancy of the Development by end of late Spring 2023.

Design Engineering for this project was performed by Garden & Associates on behalf of HCI 50158 Investments LLC. After Addendum #1 was issued, construction was estimated to cost \$ 957,610.00 which includes both items the city is responsible for, in addition to the water main, that the Development is responsible for. The City's share was estimated at \$879,910.00.

The city received 4 bids on October 4th. One bid was rejected for failure to acknowledge the Addendum and another rejected for submitting after the time bids were due.

| | |
|------------------------------------------|----------------------|
| <i>Engineer's Estimate (w/ Addendum)</i> | \$ 957,610.00 |
| Con-Struct, inc. | \$ 764,476.00 |
| On Track Construction | \$ 1,026,490.00 |
| Absolute Concrete | <i>rejected</i> |
| TK Concrete | <i>rejected</i> |

The substantial completion date is May 31, 2023 with final completion by September 30, 2023.

Attachments: Bid Tabulation

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