

# City Administrator Memo



# City Council Memo

Meeting Date: January 10, 2012

*From the Desk of Ryan C. Heiar*

**Consent Agenda**

The following items are on the consent agenda and included in your packet:

- City Council Minutes (12/27/11)
- Claims

**Street Maintenance Facility Bids**

Bids for the Street Maintenance Facility (SMF) project were received on December 15. The process was very competitive as 11 bids were submitted, all from Iowa contractors. The bid tab is included in your packet. The low base bid is from Garling Construction out of Belle Plaine at \$1,931,000, which is consistent with the architect's estimate.

Base Bid	\$1,870,000
Allowance #1, office/shop furniture	\$25,000
Allowance #2, construction staking	\$13,000
Allowance #3, materials testing	\$23,000
<b>Total Base Bid</b>	<b>\$1,931,000</b>
<b>Bid Alternates</b>	
Vehicle Wash Bay	\$290,000
Emergency Power	\$106,000
Asphalt Training Pad	\$33,000
Reduce Length of Building	(\$40,000)
Consolidate Electrical Service	\$39,000

Figure A

Figure A provides a breakdown of Garling's bid.

Proposed SMF Budget	
<b>Expenditures</b>	
Base Bid	\$1,931,000
Vehicle Wash Bay	\$290,000
Asphalt Training Pad	\$33,000
A/E Fees	\$238,000
Contingency	\$111,000
<b>Total</b>	<b>\$2,603,000</b>
<b>Revenues</b>	
GO Bond	\$700,000
RUT Revenue Bond	\$1,600,000
RUT Reserves	\$270,000
Fire Capital Reserve	\$33,000
<b>Total</b>	<b>\$2,603,000</b>

Figure B

Staff is recommending increasing the project budget by \$303,000, from \$2.3 million to \$2,603,000 million as detailed in figure B). Increasing the budget as proposed would allow for acceptance of the base bid as well as construction of the wash bay facility and Fire Department training pad. In addition, it would allow for a 5% contingency of \$111,000. The project contingency is a reserve fund estimate for construction change orders, such as poor soil problems, or other unknown project expenditures that may arise during the construction phase of the project. Moreover, if contingency funds are

available, we would like to explore LED lighting in the shop and consolidating the electrical services, which is staff priority number 2 for bid alternates.

**Upcoming Meetings & Events**

- Tuesday, Jan 10** 7:00 P.M.  
City Council
- Monday, Jan 16** 7:00 P.M.  
Library Board
- Tuesday, Jan 17** TBD  
City Council Budget Work Session
- Tuesday, Jan 24** 6:30 P.M.  
City Council
- Monday, Feb 13** 4:00 P.M.  
City Council Goal Setting

**Need more Information?**

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Of the recommended budget increase of \$303,000, \$270,000 is proposed to come from cash reserves in the RUT fund while the remaining \$33,000 would come from the Fire Department Capital Reserve Fund. Included in the packet is a RUT model showing the proposed cash expenditures. You will see that the fund can support the proposed changes. It should be noted that at the midway point of the fiscal year, the RUT fund is on target to surpass the projected revenues by \$150,000 to \$175,000. The additional anticipated revenues are not included in the model.

There are a number of reasons why staff believes the wash bay should be constructed now, rather than later and why the other alternates can wait as cash becomes available or not be considered. That information is also included in your packet, in a separate letter from Shive Hattery.

### **Road Use Tax Issuance**

On the agenda is a public hearing and related resolution regarding the issuance of up to \$2.2 in Road Use Tax Revenue Bonds for the construction of the Street Maintenance Facility (SMF). The \$2.2 million number is larger than originally discussed and is a not-to-exceed number. The actual upcoming recommendation will be to borrow approximately \$1.8 million, which will allow for \$1.6 million for the project and the remaining approximately \$200,000 for bond related expenses and capitalized interest.

### **Vandello Drive Parking Restrictions**

Staff is recommending the following restrictions for parking on Vandello Circle:

1. No Parking on both sides of Vandello Drive between Front Street and Cook Circle.
2. No Parking on the north side of Vandello Drive between Cook Circle and Sadler Drive.
3. No Parking on both sides of Vandello 60 feet from its intersection with Sadler Drive.
4. No Parking on the west side of Cook Circle.

A letter was sent to residents of the area explaining the proposed restrictions. The letters, as well as responses from residents are included in your packet. As you will read, we received no objections to the proposed parking restrictions.

### **Sign Ordinance Amendment, Second Reading**

Staff has recently updated the sign ordinance and added provisions for somewhat larger signs in the I-380 corridor (see section 173.10). Other changes include mainly cleanup items, clarifications and slight rewordings to match current practice. The Planning and Zoning Commission has reviewed the proposed changes and is recommending approval. The second reading of the ordinance is on the agenda for your consideration.

### **Documents Included For Your Review**

- Building Department Report
- Park Superintendent's Report
- Telecommunication Director's Report
- Recreation Director's Report
- Water Superintendent's Report
- Wastewater Superintendent's Report
- Street Superintendent's Report
- Parks & Recreation Commission Minutes
- Planning and Zoning Commission Minutes
- Police Chief's Report
- Fire Department Report
- Tree and Storm Water Commission Minutes

If you have **any** questions, concerns or comments about the agenda, memo or packet, please contact me prior to the meeting.