

**COUNCIL ACTION FORM**

**SUBJECT: SOUTH GRAND AVENUE EXTENSION PROJECT (AMENDMENT # 5)**

**BACKGROUND:**

This project is the extension of South Grand Avenue from Squaw Creek Drive to South 16th Street. Included is an extension of South 5th Street (South Grand Avenue to South Duff Avenue) as well as intersection improvements to the South Duff Avenue (US Hwy 69)/South 16th Street and South Grand Avenue/S 16th Street. The project has been broken into the following three phases:

- 1) S. 5<sup>th</sup> St extension and the portion of S. Grand Ave from Squaw Creek Drive (the existing dead end) to S. 5<sup>th</sup> St.  
**This contract has been awarded to Peterson Contractors, Inc. (PCI) of Reinbeck, Iowa, in the amount of \$3,159,304.15.**
- 2) S Grand Ave South of S. 5<sup>th</sup> Street (this portion includes two bridges to accommodate Squaw Creek under the roadway).  
**This contract has been awarded to Peterson Contractors, Inc. (PCI) of Reinbeck, Iowa, in the amount of \$9,368,716.27.**
- 3) Reconstruction and widening (additional turn lanes) on S 16<sup>th</sup> St. at S. Duff Ave.  
**This project is still in the design phase.**

Shive-Hattery, Inc., from West Des Moines, Iowa, is under contract for design services authorized in an amount not to exceed \$1,365,341 for all three phases. The original contract was in an amount not to exceed \$1,045,000 and four amendments have been previously approved totaling \$320,341. Additional work under these amendments included design of sidewalk infill along S 16<sup>th</sup> Street, S 5<sup>th</sup> Street trail design, bus pull-off design, environmental assessments and investigations, future planning of 4-lane roadway, Worle Creek channel relocation design, additional services related to ROW acquisition and use of eminent domain, and design modifications reflecting negotiations for land acquisition agreements.

**This additional professional services fee of \$125,350 that is being requested for Amendment 5 is a result of the additional scope of design services for Phase 3 (described above).** The contract agreement for Phase 3 is for reconstruction of South 16<sup>th</sup> Street from South Duff to approximately 1300 feet west of South Duff Avenue and widening of South 16<sup>th</sup> Street east from South Duff to approximately Cardinal Road. **The additional scope of services is for adding complete reconstruction of SE 16<sup>th</sup> St east of South Duff for approximately 950 feet.**

Based on the current pavement condition of SE 16<sup>th</sup> Street east of South Duff, this section is in need of a full reconstruction rather than simply widening the pavement. With more businesses developing east of the intersection of S. Duff Ave. and SE 16<sup>th</sup> Street, such as Menards, the traffic volume will continue to increase and accelerate deterioration of this section.

**It should be noted that this additional street reconstruction work is estimated to increase the project construction costs in Phase 3 from \$2,200,000 to \$3,000,000.**

The summary of the revised revenues and expenses for this project are shown below:

<b>Activity</b>	<b>Expenses</b>	<b>Revenue</b>
Engineering (overall total w/amendments)	\$2,625,350.00	
South 5 <sup>th</sup> Street Project (Awarded)	\$3,159,304.15	
S Grand Extension (Awarded)	\$9,368,716.27	
S 16 <sup>th</sup> St/S Duff project (Estimated)	\$3,000,000.00	
GO Bonds		\$11,580,000
MPO/STP Funds (\$4,300,000 in CIP)		\$5,500,000
Federal/State Grants (\$4,273,000 in CIP)		\$2,791,485
<b>TOTAL</b>	<b>\$18,153,370.42</b>	<b>\$19,871,485</b>

**ALTERNATIVES:**

1. Approve the amendment to the engineering services agreement for the South Grand Avenue Extension Project with Shive-Hattery, Inc., of West Des Moines, Iowa, in the amount not to exceed \$125,350.
2. Direct staff to renegotiate an engineering agreement amendment.
3. Do not proceed with expanding the project scope (add turn lanes to existing pavement conditions).

**MANAGER’S RECOMMENDED ACTION:**

By approving this amendment, this project will result in lower street maintenance costs, and improve area drainage. Also, by approving this amendment, the reconstruction and widening will be incorporated into one construction project thereby setting up the area for better traffic flow and pavement conditions as this commercial area continues to expand.

The construction bids for Phases 1 and 2 (described above) came in \$1,067,793 and \$2,831,284 under the Engineer’s Estimates, respectively. This provides the availability of G.O. Bonds for reconstructing the existing portion of SE 16<sup>th</sup> St.

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