

COUNCIL AGENDA: JULY 15, 2014

SUBJECT: REVALIDATION OF PROJECT ACCEPTANCE – ISLAND ANNEXATION SEWER PROJECT (AREA 455A)

SOURCE: Public Works Department - Engineering Division

COMMENT: Staff presented to Council a final expenditure report for the Island Annexation Sewer Project (Area 455A) during the June 3, 2014, City Council meeting. The expenditure report was included in the body of the staff report requesting acceptance of the project by Todd Companies. The presented staff report had a clerical error and staff is noting this error for the purpose of keeping accurate records. The initial expenditure report was as follows:

- 1) Final construction cost is \$1,113,132.12.
- 2) Construction management and quality control costs are \$47,593.37.

Reported at the time, was a total project cost of \$1,160,725.49. The true accounting of total project expenditures is as follows:

- 1) Final construction cost is \$1,114,505.88.
- 2) Construction management and quality control costs are \$47,593.37.

Total project construction costs equate to \$1,162,099.25, which is \$1,373.76 more than what was stated when the project was accepted by the City Council on June 3, 2014. The final dollar amount is still less than the \$1,259,624.32 overall budget approved by Council at the time of project award.

Refinancing of the Sewer Revenue Bonds, better known to staff as Certificate of Participation (COP) funds, is the mechanism for funding this project and subsequent project areas. The stated funding source was approved in the 2013/2014 Annual Budget.

RECOMMENDATION: That City Council:

1. Revalidate the acceptance of the Island Annexation Sewer Project (455A) by noting the final accounting of expenditures.

ATTACHMENT: Locator Map

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Dir BSW Appropriated/Funded MP CM J

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