

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

SOURCE: Public Works Department - Engineering Division

COMMENT: Todd Companies has completed the Annexation (Area 455A) Sewer Project per plans and specifications. The project is the second 2006 Island Annexation area to receive new sewer infrastructure. Area 455A is generally bounded by W. North Grand Avenue to the north, Mulberry Avenue to the south, Newcomb Street to the west and State Route 65 to the east. The project included 10,194 lineal feet (1.92 miles) of 8" and 6" diameter sewer mains, 27 sewer manholes and 226 sewer laterals.

Sewer District 455A includes 279 properties and, as of this report, thirty-three (33) property owners have connected or have agreed to connect to the new sewer system. Now that final costs are known, a final letter will be transmitted to the property owners within the district informing the property owners of the actual cost to connect. Further, the letter will inform the property owners that they have until July 15, 2014, to decide whether they wish to place the connection fee on their tax roll. July 15, 2014, is a crucial date because on or about August 15, 2014, the County Assessor's Office will need an electronic list of the properties and the amount to charge on the November 2014 tax assessment roll.

Staff carefully tracks construction costs of all Capital Improvement Projects and reports project construction expenditures when the project is accepted by the City Council. On August 6, 2013, City Council authorized expenditure of \$1,259,624.53 for construction, construction management and quality control services for the Annexation Sewer (Area 455A) Project. The following itemizes the construction-related costs in two categories: 1) the construction contract, and 2) a combination of construction management and quality control.

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

Total project construction costs equate to \$1,160,725.49, which is less than the \$1,259,624.32 overall budget approved by Council at the time of award.

Refinancing of the Sewer Revenue Bonds, better known to staff as Certificate of Participation (COP) funds, is the mechanism for funding this

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project and subsequent project areas. The stated funding source was approved in the 2013/2014 Annual Budget.

Todd Companies requests that the City accept the project as complete. Staff reviewed the work and found it acceptable.

RECOMMENDATION: That City Council:

1. Accept the project as complete;
2. Authorize the filing of the Notice of Completion; and
3. Authorize the release of the 5% retention thirty-five (35) days after recordation, provided no stop notices have been filed.

ATTACHMENT: Locator Map

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Exhibit 'A'

ANNEX 55

ANNEX 51

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