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# SALT LAKE CITY COUNCIL STAFF REPORT

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DATE: December 7, 2005

SUBJECT: 900 East 900 South Streetscape Upgrade  
Special Improvement District (SID), Job No. 106018  
Resolution to accept the bids and authorizing  
execution of a contract

AFFECTED COUNCIL DISTRICTS: 4 and 5

STAFF REPORT BY: Jan Aramaki, Constituent Liaison/Policy Analyst

ADMINISTRATIVE DEPT. Department of Public Services  
AND CONTACT PERSON: John Naser

FILE LOCATIONS: Public Services/900 East 900 South  
SID, Job No. 106018

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## POTENTIAL MOTIONS:

1. ["I move that the Council"] Adopt a resolution conditionally accepting bids for purchasing of materials and construction work and, subject to approval of the City Engineer and/or the City Purchasing Department, authorizing execution of a construction contract with the apparent responsive bidder for construction of improvements of Salt Lake City, Utah 900 South 900 East Streetscape upgrade Special Improvement District No.106018; providing for construction of improvements consisting of the reconstruction of roadway pavement, and construction and installation concrete angle parking, concrete curbs, sidewalks, driveway approaches, median islands, sidewalk ramps, storm drainage facilities, site furnishing, street lighting, traffic signals, landscaping and all other miscellaneous work necessary to complete the improvements in a proper workmanlike manner; authorizing the issuance of interim warrants and for the addition of the interest thereon to assessable costs and related matters.
2. ["I move that the Council"] Not adopt the resolution.

## NEW INFORMATION:

The next step for the Council's consideration is to adopt a resolution accepting bids for construction work and authorizing execution of a contract to the lowest bidder for the 900 South 900 East Streetscape upgrade SID No. 106018.

During a bid opening in May 2005, one bid was submitted and due to rising cost of concrete, the bid was higher than expected. The Administration made the decision to re-bid the contract on November 30, 2005 at which time the three bids submitted were still higher than anticipated. According to the Administration, although the low price for the base bid project was

approximately \$215,000 higher than the estimate, it is inclusive of all elements of the project's basic plans. There are two additional amenities, median island lighting and colored concrete paving in the intersection, which would not be included with this funding. Council Members Saxton and Love made a request to the Administration to seek input from the community on their level of interest regarding the two additional amenities and whether the abutting property owners may be willing to increase their contribution. After further evaluation, Council Members Saxton and Love will report back to the Council. At this time, Engineering recommends the project proceed and asks that the City Council approve a resolution authorizing the acceptance of a construction base bid in the amount of \$1,590,142 to Allstate Contractors. There is no request for additional funding at this time.

On May 3, 2005, the City Council adopted a resolution to include the median island landscaping improvements into the Salt Lake City, Utah 900 South 900 East Streetscape upgrade Special Improvement District (SID) No. 106018, authorizing the City officials to proceed with the construction of the improvements as set forth in the Notice of Intention.

Prior to the adoption of the resolution, the City Council held a follow-up briefing regarding the \$3,700 projected on-going costs associated with the maintenance of the median island landscaping. Public Services indicated that the on-going costs will be included in a budget opening and not absorbed into their budget. As a result, Council Members Buhler and Saxton asked that the City be cognizant of budgetary impacts associated with on-going costs for future City projects.

Due to the delay in re-bidding the project, the projected starting date of the project is currently March 2006 with a projected completion date by early fall 2006. The Administration states that the construction will be phased in an effort to minimize disruption and inconvenience to property owners, pedestrians, and traffic.

Upcoming action before the Council will include:

- Resolution appointing a Board of Equalization and setting the date for the Board of Equalization hearing.
- Ordinance confirming the assessment rolls and levying assessments.
- Resolution authorizing the issuance and providing the sale of bonds.

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The following information was provided previously. It is provided again for Council's reference.

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**KEY ELEMENTS:**

On April 12, 2005, the City Council proceeded with the next step in the process of the proposed 900 East 900 South Streetscape Upgrade Special Improvement District (SID), Job No. 106018, for the Council's consideration which was to adopt a resolution to create the District. However, at that meeting, Council Member Dave Buhler made the following motion:

*["I move that the Council"] Adopt a resolution to create the 900 East 900 South Streetscape Upgrade, Special Improvement District No. 106018, and to authorize the City to proceed with the construction of the improvements with the exception of the landscaped medians. I move that we defer the question of the landscaped medians to the Council's May 3<sup>rd</sup> meeting for further discussion.*

Council Member Buhler inquired whether the alley located between 905 East 900 South and 925 East 900 South will be accessible for eastbound traffic on 900 South to make a left-hand turn into the alleyway as well as for vehicles existing the alleyway onto 900 South to turn eastbound. The Administration confirmed that there will be an opening between the landscaped median to allow for traffic flow in both directions. He also noted that due to the challenging budget constraints that the City is currently facing, it would be beneficial to ask Public Services to return to the May 3, 2005 City Council meeting and provide the on-going maintenance costs associated with the landscaped median. His motion was made based upon and supported with the understanding that the proposed SID would move forward in the interim as planned with no delays to the project.

An information sheet was provided to the City Council by Public Service with a breakdown showing the total project construction cost of \$1,217,300 of which \$99,200 is the cost for the median island and an annual projection on-going cost to maintain the landscape median of \$3,700. According to the Administration, the City will not assume maintenance responsibility of the medians until spring of 2007 because the contractor is required to provide maintenance for one year. The street lighting is maintained by Utah Power.

In order for the District to be created, the property owners who submitted a protest must have been less than 50 percent of the total property owners' front footage within the District. According to the Administration, the final SID protest rate was 7.75 percent of front footage:

- On March 7, 2005, three written protests against the proposed improvements or against the creation of the District were filed in the Office of the City Recorder. The City Recorder's Office received three written protests from property owners at 925 East 900 South, 951 East 900 South, and 937 East 900 South.
- The City Council held a protest hearing on March 8, 2005. One property owner expressed support of the proposed SID. The Council also heard from a property owner who owns a 4-plex in opposition of the proposed SID (one of the written protests). The resident questioned the benefit he will receive in comparison to the benefit the businesses will receive. He requested that the City look at a more equitable system to fund the project.

After construction is completed, a property owner has the opportunity to appear before the Board of Equalization (comprised of the City Engineer or designee, the City Attorney or designee, and the City Recorder or designee), to present their concerns. All property owners within the proposed SID are notified in advance of the dates and times when the Board of Equalization meets. The Board of Equalization can hear any discrepancies viewed by a property owner. For example, the Board could decide that a particular residential property owner does not receive as much benefit from the project as the commercial properties, and possibly reduce the assessment. If the assessment is a real financial burden income-wise to the property owner, the assessment can be deferred until the property is

sold. There is no way to predict the outcome of a Board of Equalization review.

- After the protest hearing was held, the City Council Office was contacted by a property owner who expressed interest to include the neighborhood between 1000 East to 1100 East streets along both sides of 900 South Street as part of the proposed SID. Because the number of protests was minimal at 7.75 percent, the property owner was informed that if there is an interest to pursue a special improvement district further east of 1000 East, and if there appears to be adequate support from the community, and if funding is available, this could be explored further by contacting Engineering.

On November 9, 2004, the City Council finalized the capital improvement program (CIP) budget for fiscal year 2004-05. Included in the CIP budget was \$500,000 for the 900 South & 900 East Streetscape project, which was contingent upon Neighborhood SID Approval. As the first step in creating the process to establish the Special Improvement District (SID), the Administration requested that the Council adopt a resolution declaring the Notice of Intention and set the protest hearing date for March 8, 2005. SID boundary includes all property fronting or abutting on both sides of 900 South from Windsor Street (860 East) to 1000 East. The Engineering Division has identified an estimated 26 parcels as part of the proposed SID, however some property owners own more than one parcel, therefore approximately 15 property owners will be involved with the proposed SID. All properties are commercial. The project is being coordinated with the Public Utilities Department for installation of storm drainage improvements for the project.

The Notice of Intention stated that "The proposed improvements include the reconstruction of the roadway pavement; and the construction and installation of concrete angle parking, concrete curbs, sidewalks, driveway approaches, median islands, sidewalk ramps, storm drainage facilities, site furnishing, street lighting, traffic signals, landscaping, and miscellaneous work."

Depending upon the nature of the improvements, costs will be assessed by front foot (lot width) of abutting property. Each property owner will receive information with the Notice of Intention of an estimated assessment calculation made by the City Engineer's Office.

The Administration reported that existing curb, gutter, and angle parking are deteriorated and in poor condition and will be replaced as part of the City's expense portion. Although sidewalks are in good condition and do not need to be replaced, there is the exception of sidewalk areas near the intersection which will also be replaced at the City's expense for the beautification project.

Costs that will be assessed to the property owners include: areas that lack cut-back angle parking and for the beautification amenities associated with the project (decorative concrete, decorative street lighting, landscaped medians, and site furnishing upgrades). There are no options being offered to the property owners who may want to have additional work performed in conjunction with the proposed SID improvements.

Following Council's approval of the attached resolution, a Notice of Intention informational letter and a preliminary estimate was immediately sent to property owners within the boundary areas of the proposed SID notifying property owners that the City is considering a proposed SID for reconstruction of 900 South from Windsor Street to 1000 East.

It is projected that the project may begin in May with completion by fall of 2005.

Informal public meetings were held on March 2, 2005 for the Administration to review the proposed SID with interested abutting property owners. The meeting location was the Forest Dale Golf Course, 2375 South 900 East, from 4:00 p.m. to 6:00 p.m.

**BUDGET RELATED FACTS:**

The City Engineer has estimated that the total cost of improvements in the proposed District is \$1,502,000. It is anticipated the City's portion will be approximately \$1,140,000 (includes approximately \$249,000 from the Public Utilities Department to pay for drainage improvements and \$96,000 from the United States Department of Housing and Urban Development). The property owners' portion is estimated to be approximately \$362,000 (includes construction costs, a portion of engineering expenses, possibly a portion for debt service reserve, an allowance for interest on interim warrants issued to finance construction of the improvements and 15 percent for administrative costs).

Estimated breakdown costs to property owners are as follows:

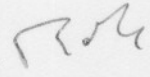
Rate No.	Quantity	Estimated Unit Costs	Estimated Cost to Property Owners
1	1,774.19 LF	\$204 per lineal foot	\$362,000


The majority of City funding sources are allocated from the Salt Lake City Capital Improvement budget Class "C" funds (\$500,000 was appropriated during the 2004-05 CIP process contingent upon the property owners being in favor of the SID), a Federal Economic Development Initiative Grant , Salt Lake City Public Utilities Department, and with the remaining costs of the improvements paid by a special assessment to be levied against the property fronting or abutting upon or adjacent to the improvements. It is anticipated that the first payment of an assessment installment may be less than one year from the date the Council adopts the assessment ordinance; thereafter approximately ten assessment installments will fall on the anniversary date of the first assessment payment, rather than five years as is calculated for concrete replacement SIDs.

CC: Cindy Gust-Jenson, Sam Guevara, Rocky Fluhart, Rick Graham, Ed Rutan, Louis Zunguze, Gary Mumford, Dan Mulé, Luann Clark, Tim Harpst, Max Peterson, John Naser, Stephanie Toombs, Gordon Haight, Kurt Larson, Diana Karrenberg, Sylvia Jones, Gwen Springmeyer, Lehua Weaver, Annette Daley, Chris Bramhall, Boyd Ferguson, Karen Carruthers, Garth Limburg, Susan Finlayson, Cindy Arnold, and Jennifer Bruno.

# SALT LAKE CITY CORPORATION

DEPARTMENT OF PUBLIC SERVICES

**TO:** ROCKY FLUHART,   
CHIEF ADMINISTRATIVE OFFICER **DATE:** December 13, 2005

**FROM:** Rick Graham, Director   
Public Service Department

**SUBJECT:** Acceptance of construction bids and authorization to award a construction contract for the 900 South 900 East Streetscape Upgrade Special Improvement District, Job No. 106018

**STAFF CONTACT:** John Naser, P.E. 535-6240

**DOCUMENT TYPE:** Resolution

**RECOMMENDATION:** Award the construction contract for the Special Improvement District.

**BUDGET IMPACT:** Monies are provided from the Salt Lake City Capital Improvement budget for Class "C" Road Funds, a Federal Economic Development Initiative grant, the Public Utility Department, and property owner assessments through the Special Improvement District.

**BACKGROUND AND DISCUSSION:** The 900 East 900 South Streetscape Improvement project involves the reconstruction and beautification of the roadway, park strip and sidewalks. The improvements include replacing deteriorated concrete, landscaped median islands, decorative sidewalks, enhanced street lighting, additional on street parking and traffic signal upgrades. The project extends from Windsor Street to 1000 East. The project is being coordinated with the Public Utility Department for storm drain improvements.

Construction of the projects is scheduled to start in March 2006, with completion by early fall 2006.

Attached is an information sheet.

cc: Vault

INFORMATION SHEET  
900 SOUTH 900 EAST STREETScape UPGRADE  
SPECIAL IMPROVEMENT DISTRICT  
JOB No. 106018

DESCRIPTION OF IMPROVEMENTS:

The 900 East 900 South Streetscape Special Improvement District project involves the reconstruction and beautification of the roadway, lighting, parking areas and sidewalks at the 900 South 900 East Intersection. The improvements include resurfacing the roadway, replacing deteriorated concrete, landscaped median islands, decorative sidewalks, street furnishings, raised planters, enhanced street and pedestrian scale lighting, additional on street angle parking and traffic signal upgrades. The project extends from Windsor Street to 1000 East. The project is being coordinated with Public Utilities for storm drain improvements.

The project is scheduled to start in March 2006 with completion by Fall 2006. The construction will be phased so disruption and inconvenience to the property owners, pedestrians and traffic will be minimal.

AVAILABILITY OF FUNDS

Funding is available from the City General Fund, Class "C" road funds, a Federal Economic Development Initiative Grant, Public Utility Department, and property owner assessments through the Special Improvement District.

Salt Lake City, Utah

December 13, 2005

A regular meeting of the City Council of Salt Lake City, Salt Lake County, Utah, was held on Tuesday, the 13th day of December, 2005, at the hour of 7:00 p.m., at the offices of the City Council at 451 South State Street, Salt Lake City, Utah, at which meeting there were present and answering roll call the following members who constituted a quorum:

Dale Lambert	Chair
Nancy Saxton	Vice Chair
K. Eric Jergensen	Councilmember
Carlton Christensen	Councilmember
Van Blair Turner	Councilmember
David L. Buhler	Councilmember
Jill Remington Love	Councilmember

Also present:

Ross C. Anderson	Mayor
	Deputy City Attorney
	Deputy City Recorder

Absent:

Thereupon the following proceedings, among others, were duly had and taken.

A Notice to Contractors calling for bids for construction of improvements contemplated to be made in the District was published in the Salt Lake Tribune and the Deseret Morning News, newspapers having general circulation in the City, at least one time at least fifteen (15) days prior to the date specified in such notice for the receipt of bids. An affidavit of publication is on file or will be obtained by the City Recorder.

At a public meeting conducted in Room 315 of the City and County Building, 451 South State Street, Salt Lake City, Utah, by staff members of the City Recorder's and City Engineer's Offices on the 30th, day of November, 2005, at 2:00 p.m., bids were opened for the construction of improvements contemplated to be made in "Salt Lake City, Utah 900 South, 900 East Streetscape Upgrade Special Improvement District No. 106018" (the "District"). The City Engineer's Office has tabulated the bid results for consideration by the City Council.



Upon the reopening of the bids in open session of this council meeting, the City Council examined and declared the bids to be as tabulated as set out in Exhibit A which is attached to these proceedings. The City Council determined that: \_\_\_\_\_ was the apparent low bidder for the construction of improvements as specified in the engineering plans for the improvements set out in the Notice of Intention. Thereupon, the following resolution was introduced in writing and Councilmember \_\_\_\_\_ moved to adopt the resolution:

RESOLUTION NO. \_\_\_\_ 2005

A RESOLUTION CONDITIONALLY ACCEPTING BIDS FOR PURCHASING OF MATERIALS AND CONSTRUCTION WORK AND, SUBJECT TO APPROVAL OF THE CITY ENGINEER AND/OR THE CITY PURCHASING DEPARTMENT, AUTHORIZING EXECUTION OF A CONSTRUCTION CONTRACT WITH THE APPARENT RESPONSIVE BIDDER FOR CONSTRUCTION OF IMPROVEMENTS OF SALT LAKE CITY, UTAH 900 SOUTH, 900 EAST STREETScape UPGRADE SPECIAL IMPROVEMENT DISTRICT NO. 106018" (THE "DISTRICT"); PROVIDING FOR CONSTRUCTION OF IMPROVEMENTS CONSISTING OF THE RECONSTRUCTION OF ROADWAY PAVEMENT, AND CONSTRUCTION AND INSTALLATION CONCRETE ANGLE PARKING, CONCRETE CURBS, SIDEWALKS, DRIVEWAY APPROACHES, MEDIAN ISLANDS, SIDEWALK RAMPS, STORM DRAINAGE FACILITIES, SITE FURNISHING, STREET LIGHTING, TRAFFIC SIGNALS, LANDSCAPING AND ALL OTHER MISCELLANEOUS WORK NECESSARY TO COMPLETE THE IMPROVEMENTS IN A PROPER WORKMANLIKE MANNER; AUTHORIZING THE ISSUANCE OF INTERIM WARRANTS AND FOR THE ADDITION OF THE INTEREST THEREON TO ASSESSABLE COSTS AND RELATED MATTERS.

BE IT RESOLVED by the City Council of Salt Lake City, Salt Lake County, Utah, the bid of \_\_\_\_\_, a bidder who submitted the apparent lowest and best bid for the construction of the improvements in the District is hereby conditionally accepted. This award of the construction contract is expressly subject to verification by the City Engineer of the accuracy of the bid amounts, the qualification of the lowest bidder to do business in Utah, a determination that the lowest bidder is a licensed contractor and consideration of any other factors the City Engineer may deem to be appropriate in evaluating the lowest bid and bidder. The exact amount to be paid under a construction contract memorializing the bid, acceptance, plans, and specifications for the improvements shall be determined by computation of the work done based upon the unit prices as set forth in the winning bid.

If the City Engineer approves the lowest bid and bidder Contract for Construction, (the "Contract"), the Mayor is hereby authorized to execute the Contract between Salt Lake City and the successful bidder, which Contract may include work in addition to the improvements to be constructed within said District. If the City Engineer does not approve the lowest bid and bidders, the bids shall again be referred to the City Council for further consideration at a subsequent meeting.

Payment of progress draws under the Contract may be by interim warrants which the City intends to purchase. The issuance of interim warrants is hereby authorized. When the City Engineer has certified that the construction of the Improvements has been

completed, the final interim warrant shall be for 100% of the unpaid balance then due under the construction contract. Prior to the completion of construction, the aggregate amount of the interim warrant shall not exceed 90% of the value of completed work. Interest charges on the interim warrants shall be equal to the average yield earned by the City on its pooled money balance investments as calculated by the City Treasurer's Office. Interest accrued on the interim warrants shall be added as an assessable cost to other construction costs of the District.

The resolution was seconded by Councilmember \_\_\_\_\_ and was adopted by vote of the City Council as follows:

AYE:

NAY:

Thereupon the motion was approved by the City Council and made a matter of record by the City Recorder.

ADOPTED and APPROVED this \_\_\_\_\_ day of December, 2005.

(SEAL)

By: \_\_\_\_\_  
Chair

ATTEST:

By: \_\_\_\_\_  
Deputy City Recorder

After the transaction of other business not pertinent to the foregoing matter, the meeting was on motion duly made, seconded, and carried, adjourned.

(SEAL)

By: \_\_\_\_\_  
Chair

ATTEST:

By: \_\_\_\_\_  
Deputy City Recorder

PRESENTATION TO THE MAYOR

The foregoing resolution was presented to the Mayor for his approval or disapproval on this \_\_\_\_ day of December, 2005.

By: \_\_\_\_\_  
Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved this \_\_\_\_ day of December, 2005.

By: \_\_\_\_\_  
Mayor

STATE OF UTAH                    )  
                                          : ss.  
COUNTY OF SALT LAKE    )

I, \_\_\_\_\_, the duly appointed, qualified and acting Deputy City Recorder of Salt Lake City, Utah, do hereby certify that the above and foregoing is a full, true and correct copy of the record of proceedings had by the City Council of Salt Lake City, Utah, at its meeting held on the \_\_\_\_\_ day of December, 2005, insofar as the same relates to the awarding of the construction contract for Salt Lake City, Utah 900 South, 900 East Streetscape Upgrade Special Improvement District No. 106018” (the “District”) as the same appears of record in my office:

(a) that I personally attended said meeting, and that the proceedings were in fact held as in said minutes specified;

(b) that due, legal and timely notice of said meeting was served upon all members as required by law and the rules and ordinances of said City; and

(c) that the above resolution was deposited in my office on the \_\_\_\_\_ day of December, 2005, has been recorded by me, and is a part of the permanent records of Salt Lake City, Utah.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and affixed the seal of said City this \_\_\_\_\_ day of December, 2005.

(SEAL)

By: \_\_\_\_\_  
Deputy City Recorder

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, \_\_\_\_\_, the undersigned Deputy City Recorder of Salt Lake City, Salt Lake County, Utah, do hereby certify, according to the records of the City Council in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the \_\_\_\_\_ day of December, 2005, public meeting held by the City Council as follows:

(a) By causing a Notice in the form attached hereto as Schedule 1, to be posted at the offices of the Salt Lake City Council on the \_\_\_\_ day of December, 2005, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Deseret Morning News on the \_\_\_\_ day of December, 2005, at least twenty-four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this \_\_\_\_ day of December, 2005.

(SEAL)

By: \_\_\_\_\_  
Deputy City Recorder



SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

EXHIBIT A

Tabulation of Bids

Name of Bidder

Amount of Bid

[A list naming the bidders and showing the bids which were submitted is available for inspection in the office of the Salt Lake City Engineer.]