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## SALT LAKE CITY COUNCIL STAFF REPORT

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DATE: March 26, 2008

SUBJECT: California Avenue Reconstruction  
Special Assessment Area (SAA) No. 103006  
Resolution to conditionally accept bids and  
authorize execution of a construction contract

AFFECTED COUNCIL DISTRICTS: 2

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

ADMINISTRATIVE DEPT.  
AND CONTACT PERSON: Department of Public Services  
John M. Coyle, Project Manager

FILE LOCATIONS: Public Services/California Avenue  
Reconstruction SAA, 4800 W to 5600 W,  
Job No. 103006

CC: Cindy Gust-Jenson, David Everitt, Lyn Creswell, Rick Graham, Ed Rutan, Boyd  
Ferguson, Jennifer Bruno, Dan Mulé, Marina Scott, Tim Harpst, Max Peterson,  
John Coyle, Michael Barry, Michael Stott, Quin Card, Susan Finlayson, Karen  
Carruthers, Randy Hillier, Blaine Carlton, and Garth Limburg

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### POTENTIAL MOTIONS:

1. ["I move that the Council"] Adopt a resolution to conditionally accept the bids and authorize execution of a construction contract (*conditionally accepting bids for purchasing of materials and construction work and, subject to approval of the City engineer, authorizing execution of a construction contract with the apparent low bidder for construction of improvements with the Salt Lake City, Utah California Avenue, 4800 West to 5600 West, Special Assessment Area (#103006) (The "Assessment Area"); providing for the reconstruction of roadway pavement, installation of concrete curbs, sidewalks, and street lighting, as well as other miscellaneous work necessary to complete the improvements in a proper and workmanlike manner (collectively, the "improvements"); authorizing the issuance of interim warrants and the addition of the interest thereon to assessable costs, and related matters*).
2. ["I move that the Council"] Not adopt the resolution.

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### KEY ELEMENTS: (Resolution)

On April 1, 2008, the City Council is also scheduled to adopt a resolution to create California Avenue, 4800 West to 5600 West, Special Assessment Area (SAA), Job

No. 103006. According to the Administration, the bid opening took place on March 12, 2008. The apparent low bidder is Harper Contracting, Inc. Their bid is \$3,915,698, which is lower than the anticipated projected cost. Therefore, the next step for the Council's consideration is to adopt a resolution, in conjunction with a resolution to create the SAA, to conditionally accept bids for construction work and authorize execution of a contract to the lowest bidder for the California Avenue, 4800 West to 5600 West, SAA No. 103006.

Upcoming action before the City Council will include:

- Resolution appointing a Board of Equalization and setting the date for the Board of Equalization
- 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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As the first step in creating the process to establish the Special Assessment Area (SAA), the Administration requested that the Council adopt a resolution declaring the Notice of Intention and set the protest hearing date for March 4, 2008. SAA boundary includes five commercial properties abutting on the south side of California Avenue between 4800 West to 5600 West streets and the Lee Drain drainage easement running along California Avenue within the Area.

The Administration's paperwork stated that the proposed improvements consist of improvements for California Avenue to include "concrete pavement, curb and gutter, sidewalk, storm drainage, and street lighting" resulting in two eastbound lanes and one westbound lane. According to the Administration, the property owner on the north side of California Avenue is not participating in the SAA. However, when the property is developed, the property owner will be required to add the additional westbound lane, curb and sidewalk which are in keeping with City policy to require property owners to install the public way improvements adjacent to their property.

Also in keeping with City policy, areas of the proposed SAA that currently lack sidewalks, curb and gutter will be assessed a cost of 100 percent of the actual costs. The Administration reports there are a few areas of sidewalk requiring ADA ramps. The costs for the ADA ramps will be absorbed by the City.

Following Council's approval of the attached resolution, a letter was sent to property owners within the boundary areas of the proposed SAA. Property owners were notified that the City is considering a proposed SAA for reconstruction of California Avenue between 4800 West and 5600 West streets.

It is projected that the project will begin in May 2008 with an estimated completion date of November 2008. The Administration informed Council staff that the commercial properties along the south side of California Avenue do not access their

properties from California Avenue, but rather have access from either 4800 West or 5500 West streets. Two of the five properties are developed. Construction will be planned accordingly to minimize disruption to businesses.

### **KEY DATES:**

An informal information meeting was scheduled for February 26, 2008 for the Administration to review the proposed SAA with interested abutting property owners. The meeting was held from 2:00 p.m. to 4:00 p.m. at 349 South 200 East.

Written protests in opposition of the proposed improvements, assessments or creation of the SAA must have been presented and filed in the Office of the City Recorder on or before 5:00 p.m. on Tuesday, March 4, 2008; or communicated to the City Council at the Council protest hearing that was held on Tuesday, March 4, 2008 at 7:00 p.m.

### **BUDGET RELATED FACTS:**

The City Engineer estimates that the total cost of improvements, including overhead costs, in the proposed SAA are \$5,261,000. It is anticipated the City's portion will be approximately \$3,984,725 which includes approximately \$390,000 paid by the Public Utility fund for drainage improvements. The property owners' portion is estimated to be approximately \$1,276,275 (includes construction costs; a portion of engineering expenses for all proposed improvements; the interest cost on interim warrants issued to finance construction of the improvements; an allowance of fifteen percent for administrative costs; a possible underwriter's discount on sale of special assessment bonds; and legal and other costs in connection with the issuance of the bonds). The estimated assessment is \$255 of per front foot of property which will be assessed to the property owners.

City funding will be allocated from the Salt Lake City Capital Improvement (CIP) funds and Public Utility fund. The remaining costs of the improvements shall be paid by a special assessment to be levied against the properties fronting or abutting upon or adjacent to the improvements. Property owners may pay assessments in ten annual principal installments with interest accruing on the unpaid balance, or the whole or any part of the assessment may be paid without interest within 25 days after the ordinance levying the assessment becomes effective.

If an assessed property is later subdivided into smaller parcels after the assessment has been adopted, as a condition to the City having approved said subdivision, the City shall amend the assessment ordinance allocating the original assessment to the smaller parcels based upon front footage.

RICHARD GRAHAM  
PUBLIC SERVICES DIRECTOR

# SALT LAKE CITY CORPORATION

DEPARTMENT OF PUBLIC SERVICES  
DIRECTORS OFFICE

RALPH BECKER  
MAYOR

MAR 25 2008

## COUNCIL TRANSMITTAL

**TO:** David Everitt  
Chief Of Staff

**DATE:** March 18, 2008

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

**SUBJECT:** Authorization to award a construction contract for California Avenue, 4800 West to 5600, West Special Assessment Area, Job No. 103006

**STAFF CONTACT:** John M. Coyle, P.E., Project Manager, 535-6241

**DOCUMENT TYPE:** Resolution

**RECOMMENDATION:** It is recommended the City Council adopt a resolution authorizing the award of a construction contract for California Avenue, 4800 West to 5600 West, Special Assessment Area, Job No. 103006.

**BUDGET IMPACT:** Monies are provided from the Salt Lake City Capital Improvement fund, Public Utilities funds and property owner assessments through the Special Assessment Area.

**BACKGROUND/DISCUSSION:** California Avenue Special Assessment Area involves the construction of roadway pavement, concrete curbs, sidewalks and street lighting.

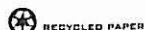
**PUBLIC PROCESS:** An informal information meeting was held February 26, 2008 at 349 South, 200 East and a protest hearing was held before the City Council on March 4, 2008.

LOCATION: 451 SOUTH STATE STREET, ROOM 148, SALT LAKE CITY, UTAH 84111-3104

MAILING ADDRESS: PO BOX 145469, SALT LAKE CITY, UTAH 84114-5469

TELEPHONE: 801-535-7775 FAX: 801-535-6175

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Salt Lake City, Utah

April 1, 2008

A regular meeting of the City Council of Salt Lake City, Utah, was held on Tuesday, April 1, 2008, 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:

Jill Remington-Love	Chair
Carlton Christensen	Vice Chair
Søren Dahl Simonsen	Councilmember
K. Eric Jergensen	Councilmember
Luke Garrott	Councilmember
J.T. Martin	Councilmember
Van Blair Turner	Councilmember

Also present:

Ralph Becker	Mayor
Edwin P. Rutan, II	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 Assessment Area was published in the Deseret Morning News, a newspaper 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 March 12, 2008, at 2:00 p.m., bids were opened for the construction of improvements contemplated to be made in the Salt Lake City, Utah California Avenue, 4800 West to 5600 West, Special Assessment Area (#103006) (the "Assessment Area"). 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. \_\_\_ of 2008

A RESOLUTION CONDITIONALLY ACCEPTING BIDS FOR PURCHASING OF MATERIALS AND CONSTRUCTION WORK AND, SUBJECT TO APPROVAL OF THE CITY ENGINEER, AUTHORIZING EXECUTION OF A CONSTRUCTION CONTRACT WITH THE APPARENT LOW BIDDER FOR CONSTRUCTION OF IMPROVEMENTS WITHIN THE SALT LAKE CITY, UTAH CALIFORNIA AVENUE, 4800 WEST TO 5600 WEST, SPECIAL ASSESSMENT AREA (#103006) (THE "ASSESSMENT AREA"); PROVIDING FOR THE RECONSTRUCTION OF ROADWAY PAVEMENT, INSTALLATION OF CONCRETE CURBS, SIDEWALKS, AND STREET LIGHTING, AS WELL AS OTHER MISCELLANEOUS WORK NECESSARY TO COMPLETE THE IMPROVEMENTS IN A PROPER AND WORKMANLIKE MANNER (COLLECTIVELY, THE "IMPROVEMENTS"); AUTHORIZING THE ISSUANCE OF INTERIM WARRANTS AND THE ADDITION OF THE INTEREST THEREON TO ASSESSABLE COSTS, AND RELATED MATTERS.

BE IT RESOLVED by the City Council of Salt Lake City, Utah, that the bid of \$ \_\_\_\_\_ by \_\_\_\_\_, a bidder who submitted the apparent lowest and best bid for the construction of the improvements in the Assessment Area 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 (the "Contract") 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 for the Contract, the Mayor or the City Engineer 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 Assessment Area. If the City Engineer does not approve the lowest bid and bidder, the bid shall again be referred to the City Council for further consideration at a subsequent meeting.

Payment of progress draws under the Contract may be financed internally by the City or by the issuance of interim warrants. 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, if issued, shall be for 100% of the unpaid balance then due under the Contract. Prior to the completion of construction, the aggregate amount of the interim warrants, if issued, 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 costs accrued by the City, either

through its internal financing or by the issuance of interim warrants, if issued, shall be added as an assessable cost to other construction costs of the Assessment Area.

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

AYE:

NAY:

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



ADOPTED and APPROVED this April 1, 2008.

(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, and the meeting 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 \_\_\_\_\_, 2008.

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

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved this \_\_\_\_\_, 2008.

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 April 1, 2008, insofar as the same relates to the awarding of the construction contract for the Salt Lake City, Utah California Avenue, 4800 West to 5600 West, Special Assessment Area (#103006) (the "Assessment Area"), as the same appears of record in my office, and

(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 April 1, 2008, 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 April 1, 2008.

(SEAL)

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

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, \_\_\_\_\_, the undersigned Deputy City Recorder of Salt Lake City, 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-(202), 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 April 1, 2008, 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 March 28, 2008, 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 March 28, 2008, at least twenty-four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this April 1, 2008.

(SEAL)

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

SCHEDULE 1  
NOTICE OF MEETING

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.]

