



AGENDA MEMORANDUM

Future Item for the City Council Meeting of January 23, 2018
Action Item for the City Council Meeting of January 30, 2018

DATE: January 10, 2018

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<p style="text-align: center;">Resolution Directing Use of \$3.4 Million Dedicated to Residential Streets</p>

CAPTION:

Resolution directing the City Manager to spend \$3,400,000 for residential street reconstruction in accordance with Option No. 3 discussed at the December 19, 2017 City Council meeting.

PURPOSE:

This item seeks approval of a Resolution directing staff to use \$3.4 Million for reconstruction of residential streets in Districts 1, 4 and 5. An update on the status of the Residential Street Rebuild Program Test Projects is also provided.

BACKGROUND AND FINDINGS:

In August 2016, Council approved a Resolution to proceed with two Residential Street Reconstruction Test Projects. The Test Projects were to provide information on current costs of residential street reconstruction work as well as design, scoping and construction requirements for a residential program. Two representative streets were selected: Ralston Street from South Staples to Alameda in District 2, and Rogerson Drive from McArdele to Sunnybrook in District 3. The streets were selected for reconstruction and rehabilitation respectively and were bid both concrete and asphalt. Ultimately, both streets became reconstruction projects after field inspections identified additional concerns with Rogerson.

Design contracts for the Test Projects were awarded in December 2016, and the construction contracts were awarded in July 2017. Bids for both projects came in below budget with Rogerson Drive selected for concrete pavement and Ralston Street for hot mix asphalt concrete (HMAC). Construction started in September 2017.

Rogerson Drive is a two-phase project. As of January 10, 2018, Phase 1 is complete with roadway, sidewalks and driveways complete on the 2800 block and pavement excavated down to the subgrade on the 4700 block. Ralston Avenue is an 8-phase project for which three phases are complete except for placement of hot mix asphalt concrete (HMAC).

On September 26, 2017 during the Second Reading of the Ordinance adopting the Fiscal Year 2018 Operating Budget, City Council amended the budget to add \$ 3,400,000 to the **Residential Street Fund** No. 1042 operating budget. On December 19, 2017 staff presented options for use of the funds. These options included:

- Option 1 - Leave the funds to grow in Fund 1042;
- Option 2 - Integrate the funds with the existing Bond 2016 Residential Rebuild Project; or
- Option 3 - Use the funds for reconstructing residential streets in Districts 1, 4 and 5.

Staff recommended **Option 3** which provides for repair of “worst first” streets in the three remaining Districts and is similar to the two *Residential Street Rebuild Program* (RSRP) Test Projects which reconstruct residential streets in Districts 2 and 3. This Option allows for residential reconstruction to begin in all areas citywide.

Test Project bids, funded out of Fund 1042 in Fiscal 2017, were below budget. Resulting savings fell to Fund balance at the end of the fiscal year. As a result, there are sufficient funds available to allow the full \$ 3.4 Million in Fiscal 2018 to be used for construction. Under Option 3, approximately 1 ½ to 2 linear miles of residential streets could be reconstructed.

ALTERNATIVES:

1. Approve the Resolution as proposed. (RECOMMENDED)
2. Approve the Resolution with modifications.
3. Do not approve the Resolution.

OTHER CONSIDERATIONS:

None.

CONFORMITY TO CITY POLICY:

Resolution complies with City Charter’s requirements for approval of resolutions.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Street Operations Department

FINANCIAL IMPACT:☐ Operating☐ Revenue☐ Capital☒ Not applicable

Fiscal Years 2017 - 2018	Development	Construction	Option Year One	TOTALS
Line Item Budget				
Encumbered/Expended Amount				
Future Anticipated Expenditures				
BALANCE				

Fund(s): Residential Street Fund 1042, Bond Fund 3546

Comments: None.

RECOMMENDATION:

Approval of the Resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution approving Option 3

Presentation – Update on RSRP Test Projects

Presentation – \$3.4 Million Additional FY2018 Funding (12/19/17)

Resolution 030938 – Approving Moving Forward with Test Projects