

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: September 27, 2010
	Agenda Item No. 27 Roll Call No. <u>10-1557</u> Communication No. <u>10-566</u> Submitted by: Allen McKinley, Finance Director

AGENDA HEADING:

Approving the Fiscal Year (FY) 2010 Official Financial Report for City Streets.

SYNOPSIS:

Presentation of the City of Des Moines Official Street Finance Report for Fiscal Year 2009-10 for approval and submittal to the Iowa Department of Transportation (IDOT). This report is required to continue the City’s eligibility for Road Use Tax allotment. The annual report, required under Iowa Code Chapters 312 and 314, shows cost of day labor and public contracts for construction, reconstruction and improvement projects on the municipal street system completed in Fiscal Year 2009-10 and also the Road/Street Equipment inventory.

FISCAL IMPACT:

Amount: \$17,562,306 in FY 2010.

Funding Source: IDOT Road Use Tax allotments.

ADDITIONAL INFORMATION:

Cities and counties are required to report the following information to the IDOT each year:

- The cost of day labor and public or private contracts for construction, reconstruction and improvement projects on the farm-to-market, secondary road and municipal street systems.
- The cost of purchasing, leasing and renting construction and maintenance equipment.
- The use of this equipment for construction, reconstruction and improvement projects on the various roads and street systems.

Iowa code section 314 requires that cities with populations over 50,000 to advertise and let for bid and contract any public improvement that involves construction, reconstruction or improvement of a highway, bridge or culvert that has an estimated total cost to the city in excess of \$69,000.

This reporting requirement does not apply to maintenance activities by the cities, which generated discussion statewide regarding the definition of maintenance activities. The IDOT developed complex and detailed rules to distinguish among construction, reconstruction or improvement and maintenance activities with some examples as follows:

- Pavement resurfacing or overlays with Hot Mix Asphalt (HMA) having a thickness of two inches or more but less than four inches for 500 feet or more in continuous length are classified as an Improvement; and as such must be bid and reported.
- Pavement resurfacing with a single lift of HMA less than two inches in thickness is classified as a Maintenance Activity, as is pavement resurfacing or overlays with HMA having a thickness of two inches or more for less than 500 continuous feet; and as such these projects do not have to be bid and do not need to be reported to the IDOT.

The IDOT rules state that cities with populations over 50,000 shall report projects completed in FY2010 with estimated construction costs greater than \$69,000.

The Engineering Department prepared the portion of the report showing the construction, reconstruction or improvement projects that were advertised and let for bid and public contract. The report lists 36 projects completed in FY2010 totaling \$33,424,952.

The Public Works Department has reviewed City records to determine if there were any projects to be reported under IDOT rules for day labor. The report, which does not include maintenance activities, lists no projects to be reported in FY2010 under the IDOT rules for day labor. The Public Works Department also prepared the road/street equipment inventory.

PREVIOUS COUNCIL ACTION(S):

Date: September 28, 2009

Roll Call Number: 09-1769

Action: FY 2008 Official Financial Report for City Streets. ([Council Communication No. 09-673](#))
Moved by Coleman to adopt. Motion Carried 7-0.

Date: September 22, 2008

Roll Call Number: 08-1674

Action: FY 2008 Official Financial Report for City Streets. ([Council Communication No. 08-562](#))
Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Future annual adoptions.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.