

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	September 24, 2012
	Agenda Item No.	26
	Roll Call No.	<u>12-1506</u>
	Communication No.	<u>12-512</u>
	Submitted by:	Scott E. Sanders, Finance Director

AGENDA HEADING:

Approving the FY 2012 Official Financial Report for City Streets.

SYNOPSIS:

Presentation of the City of Des Moines Official Street Finance Report for Fiscal Year 2011-12 for approval and submittal to the Iowa Department of Transportation. 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 2011-12 and also the Road/Street Equipment inventory.

FISCAL IMPACT:

Amount: \$19,295,883 in FY2012.

Funding Source: Iowa Department of Transportation Road Use Tax allotments.

ADDITIONAL INFORMATION:

Cities and counties are required to report the following information to the Iowa Department of Transportation (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 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 \$67,000.

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 FY2012 with estimated construction costs greater than \$67,000.

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 19 projects completed in FY2012 totaling \$12,402,983.

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 one (1) project to be reported in FY2012 under the IDOT rules for day labor. This project totaled \$75,978. The Public Works Department also prepared the road/street equipment inventory.

PREVIOUS COUNCIL ACTION(S):

Date: September 26, 2011

Roll Call Number: [11-1644](#)

Action: Fiscal Year 2011 Official Financial Report for City Streets to Iowa Department of Transportation (IDOT). ([Council Communication No. 11-602](#)). Moved by Hensley to adopt. Motion Carried 7-0.

Date: September 27, 2010

Roll Call Number: [10-1557](#)

Action: City Street Financial Report to IDOT for Fiscal Year 2010. ([Council Communication No. 10-566](#)). Moved by Moore to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Future annual adoptions.

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