

**City Council Agenda Items
 and
 Contracts, Leases or Agreements**

3/19/2013

City Council Meeting Date
 Agenda Items Only

Chris Brown ^{CB}
 Submitted By

Engineering
 Division

Development Services
 Department

Action Required:

Approval of a cost-share and bid waiver in the amount of \$64,000.00, with First Community Bank of Crawford County for the milling and paving of the streets within the Sunbridge Villas Development and a budget adjustment acknowledging the receipt of \$64,000 from letters of credit.

\$ 64,000.00
 Cost of this request

\$ 432,293.31
 Category / Project Budget

Street, ROW, Int. Cost Sharing
 Program Category / Project Name

4470.9470.5809.00
 Account Number

\$ -
 Funds Used to Date

Street Improvements
 Program / Project Category Name

02116
 Project Number

\$ 432,293.31
 Remaining Balance

Sales Tax Capital Improvements
 Fund Name

Budgeted Item

Budget Adjustment Attached

[Signature]
 Department Director

02-26-2013
 Date

Previous Ordinance or Resolution # _____

[Signature]
 City Attorney

2-28-13
 Date

Original Contract Date: _____

Original Contract Number: _____

Paul a. Behm
 Finance and Internal Services Director

2-28-2013
 Date

Received in City 02-23-13 A10:11 RCVD
 Clerk's Office
[Signature]

[Signature]
 Chief of Staff

3-1-13
 Date

Received in Mayor's Office
 ENTERED
2/28/13
[Signature]

[Signature]
 Mayor

3/1/13
 Date

Comments:

To: Fayetteville City Council

Thru: Mayor Lioneld Jordan
Don Marr, Chief of Staff

From: Chris Brown, City Engineer *CB*

Date: February 15, 2013

Subject: Approval of a cost-share and bid waiver in the amount of \$64,000.00, with First Community Bank of Crawford County for the milling and paving of the streets within the Sunbridge Villas Development and a budget adjustment acknowledging the receipt of \$64,000 from letters of credit.

RECOMMENDATION

City Administration recommends approval of an ordinance for a cost-share and bid waiver in the amount of \$64,000.00 with First Community Bank of Crawford County for the milling and paving of the streets within the Sunbridge Villas Development and a budget adjustment acknowledging the receipt of \$64,000 from letters of credit.

BACKGROUND

Sunbridge Villas Subdivision is located north of Sunbridge Drive, just west of College Avenue. In 1970, the subject property was developed as the Villa Mobile home park. The park included 141 mobile home lots and one lot for a community laundry and playground area. All streets within the development were private asphalt paved streets with curb and gutter. A minimum amount of storm sewer was installed at that time.

In 2006, the City Council approved the R-PZD for Sunbridge Villas. Sunbridge Villas is a residential subdivision with 138 lots and one community space area. This development utilized the existing street infrastructure to provide access to the lots. The storm sewer, public water and public sanitary sewer lines were all replaced or expanded to meet current code requirements and the time of development. Street lights, sidewalks and an asphalt overlay of all the private streets were required with the PZD. The developer submitted two letters of credit for a total of \$64,000 for the asphalt overlay of the streets.

On August 21, 2012, the Fayetteville City Council passed a resolution to accept the dedication of street right-of-way and maintenance responsibility for the streets within the Sunbridge Villas development upon completion of the required milling and overlay of the streets.

DISCUSSION

At this time, the First Community Bank of Crawford County has hired a contractor to perform the milling and paving of the streets within the development to bring them up to City standards. The City has called the two letters of credit that were submitted for the guarantee and has received the \$64,000 from the two banks involved. The current cost of the work required is significantly more than the original guaranteed amount. First Community Bank of Crawford will be paying for the additional expense above the \$64,000 covered by the letters of credit.

Bank's Share	\$ 66,752.00
City's Share	<u>\$ 64,000.00</u>
Total	\$130,752.00

BUDGET IMPACT

A budget adjustment is required to acknowledge the receipt of the \$64,000 from the letters of credit and to place the funds in the Street, ROW, and Intersection Cost Sharing account. The payment to First Community Bank of Crawford will be made from this account.

ORDINANCE NO. _____

AN ORDINANCE WAIVING THE REQUIREMENTS OF FORMAL COMPETITIVE BIDDING AND APPROVING A \$64,000.00 COST-SHARE AGREEMENT WITH FIRST COMMUNITY BANK OF CRAWFORD COUNTY FOR THE MILLING AND PAVING OF STREETS WITHIN THE SUNBRIDGE VILLAS DEVELOPMENT, AND APPROVING A BUDGET ADJUSTMENT OF \$64,000.00 RECOGNIZING REVENUE FROM LETTERS OF CREDIT

WHEREAS, the City Council adopted a resolution accepting the dedication of street right-of-way and maintenance responsibility for previously private streets within the Sunbridge Villas development, upon completion of required milling and overlay of the said streets; and

WHEREAS, two (2) letters of credit totaling \$64,000.00 posted by the previous owner and developer to guarantee street improvements required as part of an R-PZD approved in 2006 were called by the City as the required improvements had not been completed; and

WHEREAS, First Community Bank of Crawford County is now owner of the development and desires to enter into a cost-share agreement with the City to complete street improvements whereby the City's only financial obligation would be to contribute the \$64,000.00 obtained through the letters of credit,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby determines an exceptional situation exists in which competitive bidding is deemed not feasible or practical and therefore waives the requirements of formal competitive bidding and approves a \$64,000.00 cost-share agreement with First Community Bank of Crawford County (marked as Exhibit "A" attached hereto and made a part hereof) for the milling and paving of streets within the Sunbridge Villas development.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, attached as Exhibit "B", recognizing revenue from letters of credit.

PASSED and APPROVED this 5th day of March, 2013.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

CONTRACTUAL AGREEMENT

This Agreement, made and entered into this _____, by and between the City of Fayetteville, Arkansas and First Community Bank of Crawford County, Witnesseth:

WHEREAS, First Community Bank of Crawford County, has hired a contractor to mill and pave the existing streets within the Sunbridge Villas Development; and

WHEREAS, the former developers of this development submitted two letters of credit for \$32,000 each with the City of Fayetteville to guarantee the paving of these streets; and

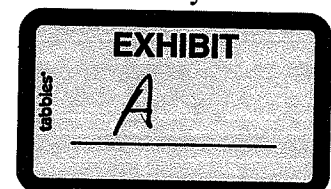
WHEREAS, First Community Bank of Crawford County will be paying the additional costs involved in this paving contract; and in order for the City of Fayetteville to pay First Community Bank of Crawford County the \$64,000 from the letters of credit, a cost share agreement must be entered between First Community Bank of Crawford County and the City of Fayetteville

NOW, THEREFORE, the City of Fayetteville and First Community Bank of Crawford County agree as follows:

1. Upon the City Council and/or the Mayor approving the street paving Cost-Share, the City of Fayetteville agrees to:
 - A. Pay for \$64,000 of the construction costs for the milling and paving of the streets within the Sunbridge Villas development.
 - B. Make all efforts to provide payment to First Community Bank of Crawford County within thirty (30) days after receipt of the invoice(s) but cannot guarantee the thirty day schedule.

2. First Community Bank of Crawford County LP agrees to:
 - A. Provide the necessary and normal project management, inspection, and testing as necessary for a complete and acceptable pavement construction.
 - B. Provide a copy of the invoice(s) from the Contractor and a completed lien waiver executed by the Contractor upon acceptance of the pavement installation.
 - C. Not proceed with the proposed construction unless/until the proposed contractual agreement is approved by the City Council and/or the Mayor.

3. It is further understood that the contract for construction is between First Community Bank of Crawford County and his Contractor and that the City has no



contractual obligation with the Contractor. The City's only obligation shall be to participate in a contractual agreement with a not-to-exceed amount of \$64,000.00 for the street milling and paving.

IN AGREEMENT WITH ALL THE TERMS AND CONDITIONS ABOVE, WE SIGN BELOW:

CITY OF FAYETTEVILLE

First Community Bank of Crawford County

By: _____
LIONELD JORDAN, Mayor

By: Jerry D. Cassm, Pres.

Attest: _____

**City of Fayetteville, Arkansas
Budget Adjustment Form**

C. 3
Y11 0425
First Community Bank of Crawford
County Cost Share Agreement
Page 8 of 10
Adjustment Number

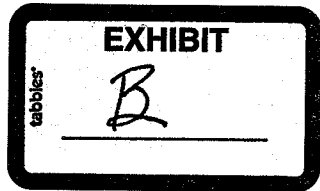
Budget Year 2013	Division: Engineering Department: Development Services	Request Date 2/26/2013	Adjustment Number
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BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION

This BA is to recognize revenue for the approval of a cost-share and bid waiver in the amount of \$64,000, with First Community Bank of Crawford County for the milling and paving of the streets within the Sunbridge Villas Development.

<p><i>Chris Mc</i> Division Head</p> <p><i>Brian Fee</i> Budget Director</p> <p><i>Jim C. [unclear]</i> Department Director</p> <p><i>Paul A. [unclear]</i> Finance Director</p> <p><i>[unclear]</i> Chief of Staff</p> <p><i>Tandi Taylor</i> Mayor</p>	<p>2/26/13 Date</p> <p>2/28/13 Date</p> <p>02.26.2013 Date</p> <p>2-28-2013 Date</p> <p>3-1-13 Date</p> <p>3/1/13 Date</p>	<p>Prepared By: <u>Tandi Taylor</u> ttaylor</p> <p>Reference: _____</p> <p align="center">Budget & Research Use Only</p> <p>Type: A B C D E P</p> <p>General Ledger Date _____</p> <p>Posted to General Ledger Initial _____ Date _____</p> <p>Checked / Verified Initial _____ Date _____</p>
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Account Name	Account Number	TOTAL BUDGET ADJUSTMENT		Project.Sub Number
		64,000 Increase / (Decrease) Expense	64,000 Revenue	
Miscellaneous	4470.9470.5900.00	64,000		02116 . 1
Miscellaneous revenue	4470.0947.4999.00		64,000	02116 . 1



City Of Fayetteville - Purchase Order (PO) Request

(Not a Purchase Order)

*All purchases under \$2500 shall be used on a P-Card unless medical or 1099 service related. (Call x256 with questions)
All PO Request shall be scanned to the Purchasing e-mail: Purchasing@ci.fayetteville.ar.us*

Requisition No.:	Date: C. 3
P.O Number:	2/26/2016 First Community Bank of Crawford Expected Delivery Date: _____ Share Agreement Page 9 of 10

Vendor #: 23009	Vendor Name: First Community Bank of Crawford County	Mail Yes:___ No:___	
Address:		Zip Code:	Fob Point:
City:		State:	Ship to code: PUR
		Divison Head Approval:	Quotes Attached Yes:___ No:___

Requester: Tandi Taylor	Requester's Employee #: 3062	Extension: 8206	
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Item	Description	Quantity	Unit of Issue	Unit Cost	Extended Cost	Account Numbers	Project/Subproject #	Inventory #	Fixed Asset #
1	Cost share-First Communtiy Bank of Crawford				\$64,000.00	4470.9470.5009.00 5900.00	02116, /		
2	for the milling and paving of the streets within the				\$0.00				
3	Sunbridge Villas Development				\$0.00				
4					\$0.00				
5					\$0.00				
6					\$0.00				
7					\$0.00				
8					\$0.00				
9					\$0.00				
10					\$0.00				
*	Shipping/Handling		Lot		\$0.00				

Special Instructions:	Subtotal: \$64,000.00
	Tax: _____
	Total: \$64,000.00

Approvals:

Mayor: _____	Department Director: _____	Purchasing Manager: _____
Finance & Internal Services Director: _____	Budget Manager: _____	IT Manager: _____
Dispatch Manager: _____	Utilities Manager: _____	Other: _____

