

Legislation Text

File #: 16-2052, **Version:** 1

Possible Action to Authorize Additional Funding for Drainage Channel Improvements for MEDC Property on 2nd Avenue

Consider approving additional funding not to exceed \$115,000 for drainage channel improvements on the approximate 6.24 acre tract of land MEDC owns on 2nd Avenue to facilitate the development of two separate lots.

Approve additional funding not to exceed \$115,000 (\$275,000 total) for drainage channel improvements on the approximate 6.24 acre tract of land MEDC owns on 2nd Avenue to facilitate the development of two separate lots.

At the August MEDC Board meeting, the Board approved funding not to exceed \$160,000 for drainage channel improvements on the approximate 6.24 acre tract of land MEDC owns on 2nd Avenue. This was based on an Opinion of Probable Cost prepared by Charles Crook Consulting, Inc. The construction plans were put out for bid and three firms bid on the project. The bids came in significantly higher than anticipated - \$298,999 and \$273,655 and \$258,600. Staff is seeking authorization for \$115,000 in additional funding for a total not to exceed \$275,000. The bid tabulation sheet and engineering drawing are attached.

Staff intends to offer the property "as is" to Hoffman Cabinets and BCB Transport for (1) a nominal sales price with the understanding that they would be responsible for these drainage improvements (2) MEDC would make the improvements, then sell the land for the improved value (\$1.35 per sq. ft.) or (3) MEDC makes the improvements and markets the lots to other potential users. The improvements will divide the property into a 1.33 acre lot to the north of the channel and a 3.12 acre lot to the south of the channel.

This will make MEDC's property more attractive to potential users.

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