



City of Grand Island

Tuesday, June 22, 2021

Council Session

Item G-15

#2021-148 - Approving Relocation Compensation to Construction Rental, Inc. in Connection with Old Potash Highway Roadway Improvements; Project No. 2019-P-1

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Keith Kurz PE, Assistant Public Works Director

Meeting: June 22, 2021

Subject: Approving Relocation Compensation to Construction Rental, Inc. in Connection with Old Potash Highway Roadway Improvements; Project No. 2019-P-1

Presenter(s): John Collins PE, Public Works Director

Background

On October 8, 2019, via Resolution No. 2019-306, City Council approved the acquisition of 3505 W Old Potash Highway from Reece Construction Co., Inc., in the amount of \$696,000.00, to allow for improvements along the Old Potash Highway corridor. The driveway that served 3505 W Old Potash Highway was too close to the intersection of Old Potash Highway and US Highway 281, with the proposed improvements not allowing for the driveway to remain and still provide a safe roadway.

The business, Construction Rental, previously located at 3505 W Old Potash Highway has relocated to 3974 Westgate Road.

Discussion

The Construction Rental property at the corner of Old Potash and Highway 281 was acquired in December of 2019. At the time of the negotiation and purchase of the property, a relocation report was generated by Midwest ROW. Similar to an appraisal of the value of the property, this report outlines the cost of relocating the business due to the purchase of the property. Nebraska Department of Transportation has guidelines in this process and these guidelines were followed in generating this report. Relocation expenses were mentioned with the council action on purchasing the property.

There was an extensive amount of personal property within the business location that was relocated from 3505 W Old Potash Highway to 3974 Westgate Road. Efforts were made to identify all items to be moved through the business relocation study. A replacement site had not been identified when the business relocation study was prepared and therefore estimates to move some items could not be anticipated. The business relocation study noted that additional costs would be incurred in order to move to the replacement property. This displaced business has submitted paid receipts for reimbursement for the following incurred expenses associated with their relocation. These expenses are qualified under the NDOT guidelines mentioned above.

Relocation Assistance	
Payment for actual reasonable moving and related expenses- Nonresidential moves- self move	\$75,912.00
Disconnecting and reinstalling equipment- Vice	\$5,152.35
Disconnecting and reinstalling equipment- Computer Equipment	\$1,791.30
Disconnecting and reinstalling equipment- Alarm Security System	\$7,795.45
Disconnecting and reinstalling equipment- Air Compressor System	\$2,525.00
Disconnecting and reinstalling equipment- Pressure Wash System	\$963.00
Utility Connections and modifications necessary to adapt the utilities at the replacement site- electricity connections for work benches	\$1,143.96
Professional services necessary- soils testing	\$6,000.00
Reletterings signs and replacing stationery on hand at the time of displacement that are made obsolete as a result of the move	\$380.63
Relettering and purchase of substitute personal property- move and transport existing signs, purchase of signs, installation of signs and electrical connection of signs	\$16,123.40
Direct loss of tangible personal property and purchase of substitute personal property- jib crane	\$25,959.26
Purchase and connection of substitute personal property- oil/sand separator system, catch basin materials, installation of the oil/sand separator system	\$21,883.74
Searching expenses	\$2,500.00
Reestablishment expenses- purchase and installed an updated fuel tank system, concrete pad needed for the fuel tanks, 6" concrete paving to support heavy construction equipment traffic, required landscaping at replacement site	\$25,000.00
TOTAL	\$193,130.09

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the relocation expenses of Construction Rental, Inc. in the amount of \$193,130.09.

Sample Motion

Move to approve the resolution.

RESOLUTION 2021-148

WHEREAS, On October 8, 2019, via Resolution No. 2019-306, City Council approved the acquisition of 3505 W Old Potash Highway from Reece Construction Co., Inc., in the amount of \$696,000.00, to allow for improvements along the Old Potash Highway corridor; and

WHEREAS, the driveway that served 3505 W Old Potash Highway was too close to the intersection of Old Potash Highway and US Highway 281, with the proposed improvements not allowing for the driveway to remain and still provide a safe roadway; and

WHEREAS, the business, Construction Rental, previously located at 3505 W Old Potash Highway has relocated to 3974 Westgate Road; and

WHEREAS, there was an extensive amount of personal property within the business location that was relocated from 3505 W Old Potash Highway to 3974 Westgate Road; and

WHEREAS, Efforts were made to identify all items to be moved through the business relocation study; and

WHEREAS, a replacement site had not been identified when the business relocation study was prepared and therefore estimates to move some items could not be anticipated; and

WHEREAS, the business relocation study noted that additional costs would be incurred in order to move to the replacement property; and

WHEREAS, this displaced business has submitted paid receipts for reimbursement for the following incurred expenses associated with their relocation

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Relettering and purchase of substitute personal property- move and transport existing signs, purchase of signs, installation of signs and electrical connection of signs	\$16,123.40

Approved as to Form ✕ _____ June 17, 2021 ✕ City Attorney
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TOTAL	\$193,130.09

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the relocation expenses of Construction Rental, Inc. in the amount of \$193,130.09 are hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 22, 2021.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk