

COUNCIL ACTION FORM

**SUBJECT: IOWA STATE UNIVERSITY RESEARCH PARK PHASE III –
WATER MAIN AND SANITARY SEWER CONSTRUCTION**

BACKGROUND:

In support of the ISU Research Park Phase III expansion, the City hired the Shive-Hattery engineering firm to design needed utility and roadway improvements. The roadway improvements will primarily be funded by a Revitalizing Iowa's Sound Economy (RISE) Grant, as approved by City Council on October 14, 2014. A tax increment financing (TIF) district has been created to finance the 20% RISE matching funds for the roadway, as well as for all of the utility infrastructure costs.

Shive-Hattery has completed plans and specifications for the utility infrastructure project. The project funding and estimated construction expenses are shown below:

	Funding	<u>Expenses</u>
TIF Abated GO Bonds (utility portion)	\$ 1,528,200	
Water Main		\$ 597,980
Sanitary Sewer		\$ 391,875
Engineering/Administration		\$ 158,200
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Total	\$ 1,528,200	\$ 1,148,055

It should be noted that the cost estimates for this utility work utilized in the Capital Improvements Plan included \$890,000 for water mains, \$480,000 for sewer mains, and \$158,200 for engineering/administration for a total estimated cost of \$1,528,000. The updated water and sewer main cost estimates have decreased significantly from those amounts. Any unused TIF Abated General Obligation Bonds from this utility project will be utilized to cover costs of the roadway construction, which have increased from the original conceptual roadway cost estimates used in the CIP.

ALTERNATIVES:

1. Approve the Iowa State University Research Park Phase III – Water Main and Sanitary Sewer by establishing April 22, 2015, as the date of letting and April 28, 2015 as the date for report of bids.
2. Do not approve this project.

MANAGER’S RECOMMENDED ACTION:

By approving these plans and specifications, it will be possible to install the utility infrastructure in coordination with the ISU Research Park Hub Building construction and to have the utilities installed ahead of the upcoming roadway construction bid package.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the Iowa State University Research Park Phase III – Water Main and Sanitary Sewer by establishing April 22, 2015, as the date of letting and April 28, 2015 as the date for report of bids.