

**COUNCIL ACTION FORM**

**SUBJECT: IOWA STATE UNIVERSITY RESEARCH PARK PHASE III –  
 ROADWAY PAVING**

**BACKGROUND:**

To facilitate the ISU Research Park Phase III expansion, the City hired Shive-Hattery 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 local matching funds for the roadway, as well as for all of the utility infrastructure costs.

On May 6, 2015, bids for the project were received as follows:

<i>Bidder</i>	<i>Bid Amount</i>
Engineer’s estimate	\$4,786,891.00
Manatt’s Inc.	\$4,607,745.60
Godbersen-Smith Construction	\$4,634,554.55

Shive-Hattery completed plans and specifications for the roadway paving and storm sewer infrastructure project. The project funding and estimated construction expenses shown, below, reflect the roadway and the utility project:

	<b>Funding</b>	<b>Estimated Expenses</b>
RISE Grant (Roadway)	\$ 4,010,728	
TIF Abated GO Bonds	\$ 2,938,990	
<b>Roadway (Est. This Contract)</b>		\$ 4,607,745.60
Water Main (Bid, Not This Contract)		\$ 597,980.00
Sanitary Sewer (Bid, Not This Contract)		\$ 391,875.00
Electric Relocation (Est. by City of Ames Electric)		\$ 275,000.00
Engineering/Administration (Roadway)		\$ 406,800.00
Engineering/Administration (Utilities)		\$ 158,200.00
<b>Totals</b>	<b>\$ 6,949,718</b>	<b>\$ 6,437,600.60</b>

It should be noted that the roadway cost estimates have increased from the original conceptual cost estimates used in the RISE grant application. As noted in the Council

Action Form dated March 24, 2015, savings from the water main and sanitary sewer projects were expected to be available from the TIF abated G.O. Bond revenues to offset the additional roadway costs. Based on these bids, it does not appear these savings will be needed.

**ALTERNATIVES:**

1. a. Accept the report of bids for the University Research Park Phase III – Roadway Paving
- b. Approve final plans and specifications for the University Research Park Phase III – Roadway Paving.
- c. Award the University Research Park Phase III – Roadway Paving to Manatt’s Inc. of Brooklyn, Iowa, in the amount of \$4,607,745.60.
2. Do not proceed with this project at this time.

**MANAGER’S RECOMMENDED ACTION:**

By approving these plans and specifications, it will be possible to construct the roadway paving in coordination with the utility infrastructure project as well as the ISU Research Park Hub Building construction.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.