

COUNCIL ACTION FORM

**SUBJECT: IOWA STATE UNIVERSITY RESEARCH PARK PHASE III –
INFRASTRUCTURE DESIGN**

BACKGROUND:

In support of the ISU Research Park Phase III expansion, staff solicited proposals for engineering services to design and obtain all necessary permits related to extension of utilities and roadway improvements. The roadway improvements are primarily 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 remainder of the roadway and utility costs.

Staff solicited proposals for the design work and at the November 25, 2014 meeting Council approved a contract with Shive-Hattery of West Des Moines in the amount of \$375,000.

Change Order No. 1 in the amount of \$46,750 was administratively approved by staff. Items included in Change Order No. 1 included: additional public outreach/information meetings/coordination with ISU Research Park tenants and community activists; sanitary sewer design modifications due to revisions to the subdivision layout of Phase III (in order to serve an additional lot immediately); coordination with Workiva's Landscape Architect to determine/mitigate disturbance to existing landscaping; design of the electric relocation and street lighting and additional roadway modifications from the original design to help ensure the roadway project would be within budget when bid.

The requested action will be for the City Council to approve Change Order No. 2 in the amount of \$29,500 in to order finalize the design services contract. Items included in Change Order No. 2 are: wetland delineation and final reporting; wetland mitigation planning; property appraisals and right of way acquisition activities in addition to the ISU Research Park dedication/acquisition; sanitary sewer design modifications due to the inability of ISU Research Park to acquire a sanitary sewer easement across private property.

Given the magnitude and the accelerated time frame to get these projects successfully bid, Staff feels strongly that these costs are justified and still provides the best value to the City. (Note: during the selection process, the highest ranked firm based on qualification only had estimated fees of \$672,600, giving the City a design cost savings of \$221,350 by using Shive Hattery)

	Funding	Estimated Expenses
RISE Grant (Roadway)	\$ 4,010,728	
TIF Abated GO Bonds	\$ 2,938,990	
Roadway (Bid)		\$ 4,607,745.60
Water Main (Bid)		\$ 597,980.00
Sanitary Sewer (Bid)		\$ 391,875.00
Electric Relocation (Est. by City of Ames Electric)		\$ 275,000.00
Wetland Mitigation Bank Credits		\$ 33,500.00
Engineering/Administration (Roadway)		\$ 725,000.00
Engineering/Administration (Utilities)		\$ 158,200.00
Totals	\$ 6,949,718	\$ 6,789,300.60

ALTERNATIVES:

1. Approve Change Orders No. 1 and No. 2 to engineering services agreement for the ISU Research Park with Shive-Hattery of West Des Moines, Iowa, in an amount not to exceed \$76,250.
2. Direct staff to re-negotiate the additional fees.

MANAGER'S RECOMMENDED ACTION:

Based on the compressed design time frame and the size and scope of the project, these additional costs were necessary and still provide the best value to the City for this project.

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