

COUNCIL ACTION FORM

SUBJECT: WILDER AVENUE EXTENSION PROJECT (SUNSET RIDGE SUBDIVISION)

BACKGROUND:

Sunset Ridge Subdivision is the residential development located north of Lincoln Way at the west corporate limits. As part of the original Developer's Agreement approved by City Council in 2005, the developer was responsible for extension of sanitary sewer mains from the existing main at Clear Creek to the northerly and westerly borders of the site. Subsequently, in 2008 the City completed a Sanitary Sewer System Study which identified the area west of Sunset Ridge Subdivision as a future service area to be served by the sanitary sewer mains running through Sunset Ridge Subdivision. In order to service this future area, the sanitary sewer main within Sunset Ridge Subdivision, 4th Addition is required to be installed at additional depth than is necessary for the service within the subdivision. On April 27, 2010, City Council approved a Supplemental Developer's Agreement that identified the City as being responsible for paving Wilder Avenue within the 4th Addition of Sunset Ridge Subdivision as a trade-off to compensate the developer for the extra cost to place the sanitary sewer deeper than necessary to serve Sunset Ridge Subdivision, 4th Addition.

On Wednesday, May 19, 2010, bids were received as follows:

Engineer's Estimate	\$ 65,000.00
Manatt's, Inc.	\$ 71,761.20

Construction administration is estimated in the amount of \$5,500. The net additional cost to the City for the street project is estimated to be \$77,261, which is less than the estimated cost for the sanitary sewer that is being installed by the developer.

Since the cause for this expense is future expansion of the City's sanitary sewer system, \$77,300 in funding from the 2008/09 Sanitary Sewer Rehabilitation Program can be transferred to the Street Construction Fund to cover the paving cost of Wilder Avenue.

ALTERNATIVES:

- 1a. Accept the report of bids for the Wilder Avenue Extension Project.
- b. Approve the final plans and specifications for the Wilder Avenue Extension Project.

- c. Award the Wilder Avenue Extension Project to Manatt's, of Ames, Iowa, in the amount of \$71,761.20.
- 2. Reject the project.

MANAGER'S RECOMMENDED ACTION:

It is appropriate for the City to bear the extra depth costs for extending the sanitary sewer beyond Sunset Ridge Subdivision. This need was identified after the original development agreement was approved in 2005, and a street project of approximately equal cost has been identified. By accepting the report of bids and awarding this contract, construction will be able to be completed this construction season, with funding from the Sanitary Sewer fund.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the report of bids, approving the final plans and specifications, and awarding the Wilder Avenue Extension Project to Manatt's, of Ames, Iowa, in the amount of \$71,761.20.