

COUNCIL ACTION FORM

**SUBJECT: CHANGE ORDER TO ENGINEERING SERVICES AGREEMENT FOR
NORTH GROWTH PUBLIC IMPROVEMENTS – GRANT AVENUE**

BACKGROUND:

This portion of the northern growth area, generally located north of Bloomington Heights Subdivision to 109th Street and between the UPRR tracks east to Ada Hayden Heritage Park, is planned for residential development. To facilitate this, Council previously directed that the water and sanitary sewer main extensions to serve the area be included in the 2012/13 Capital Improvements Plan (CIP). Connection districts will be established to recover these utility costs from the benefitted residential properties that later connect to these mains.

Grant Avenue will also need to be paved through this area to residential collector street standards. The four major land owners in the area will cover the engineering and construction costs for this paving. The cost shares previously negotiated are Quarry Estates 17%, Rose Prairie 37%, Hunziker 23%, and the City of Ames 23%.

On May 8, 2012, Council approved an engineering services contract for the utility and street design work with Civil Design Advantage (CDA) of Grimes, Iowa, in an amount not to exceed \$119,756. The scope of the original agreement included development of refined cost estimates for all three projects. However, right-of-way services were not included, since the extent of the land impacts was not known at the time the original agreement was executed. At City staff's request, CDA has submitted a change order in an amount not to exceed \$41,775 for these right-of-way services.

The proposed change order includes costs associated with transferring existing Story County Roadway easements to City of Ames Right-of-Way and permanent easement acquisitions related to the upcoming utility installations. The right-of-way services will follow the Federal Aid Process so that, in the event condemnations are necessary, all of the proper processes will have been followed.

The change order also includes additional costs associated with finalizing the construction documents to prepare for bidding both the utility and the roadway portions of the work. The water and sanitary sewer main work will be bid first, since budgeted funding is already available and those utilities need to be installed before the street is constructed. The street work will then be bid later this year after Council includes that project in the 2014/15 budget and CIP.

Staff originally hoped to bring this action to Council at the same meeting where Council would consider approval of annexation and rural water agreements related to the Northern Growth Area. However, Xenia Rural Water District will not

receive word from their creditors on final approval of the rural water agreements until the week of December 9th. Even though those agreements will not be presented to Council until December 17, staff feels it is important to move forward with this change order at this time. In order to get competitive bids for the utility work, it is critical to complete the design and easement acquisition work in time to put this project out for bids early next spring.

ALTERNATIVES:

1. Approve the change order to the professional engineering services agreement with CDA for the Grant Avenue utility and roadway design in an amount not to exceed \$41,775.
2. Reject the change order.

MANAGER'S RECOMMENDED ACTION:

By approving this change order request, the utility, roadway design work and associated right-of-way acquisition will be able to move forward and coincide with the proposed annexations in the area. The utility mains will then be on track for the 2014 construction season, and the roadway work can move forward for completion by the 2015 season. These steps will coincide with the developers' efforts to rezone and subdivide their land and begin installation of water and sewer utilities within their subdivisions, thus facilitating residential development in the newly annexed land.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the change order to the professional engineering services agreement with CDA for the Grant Avenue utility and roadway design in an amount not to exceed \$41,775.