

ITEM #: 36  
 DATE: 12-10-24  
 DEPT: PW

**COUNCIL ACTION FORM**

**SUBJECT: 2023/24 AMES PLAN 2040 SANITARY SEWER UTILITY INFRASTRUCTURE  
 (265TH STREET EXTENSION)**

**BACKGROUND:**

This new program involves installation of public sanitary sewer infrastructure into the priority growth tiers shown in Ames Plan 2040. Installing the sanitary sewer system proactively opens the ability to develop land in the adopted growth tiers. **This project includes extending a new sanitary sewer along Ken Maril Road, 550th Avenue, and 265th Street.**

**This project includes extending the sanitary sewer from the existing 66" sanitary sewer trunkline along Ken Maril Rd west to 550th Avenue, then south along 550th Ave to 265th Street.** The add alternate includes extending the sanitary sewer along 265th Street west from 550th Ave to US Hwy 69. On December 4, 2024, bids for the project were received as follows:

<b>Bidder</b>	<b>Base Bid Amount</b>	<b>Add Alternate Bid</b>
<i>Engineer's Estimate</i>	\$3,098,434.00	\$896,806.00
<b>S.M. Hentges &amp; Son, Inc</b>	<b>\$2,036,000.00</b>	<b>\$573,000.00</b>
On Track Construction, LLC	\$2,390,390.00	\$727,027.00
Mainline Construction, Inc.	\$2,597,465.50	\$685,881.50
Northern Lines Construction, Inc.	\$3,259,649.00	\$864,823.00
Keller Excavating	\$3,128,672.10	\$999,721.60
Veit & Company, Inc.	\$3,263,190.00	\$916,970.00
Gehrke Inc.	\$3,487,134.50	\$917,576.50
Rognes Corp	\$5,139,828.00	\$855,199.00

After plans were developed, staff had a conversation with the owner of Bradshaw Farms, which is a major landowner along 265th Street. This owner indicated that in the near term he was not looking to develop his property. The add alternate to extend sanitary sewer along 265th Street therefore does not provide any potential to open additional developable land at this time. Staff believes it is in the City's best interest to forego the add alternate, and only proceed with the base bid. If property along 265th Street becomes a prospect for development in the future, the sanitary sewer extension can be considered at that time.

Revenue and expenses associated with the project are estimated as follows:

<b>Funding Source</b>	<b>Available Revenue</b>	<b>Estimated Expenses</b>
ARPA	\$3,381,981	
<b>Construction (Base Bid)</b>		<b>\$2,036,000</b>
Engineering/Administration		305,000
<b>Total</b>	<b>\$3,381,981</b>	<b>\$2,341,000</b>

**ALTERNATIVES:**

1. The City Council can approve the following:
  - a. Accept the report of bids for the 2023/24 Ames Plan 2040 Sanitary Sewer Utility Infrastructure (265th Street Extension) project.
  - b. Approve the final plans and specifications for this project.
  - c. Award base bid for the 2023/24 Ames Plan 2040 Sanitary Sewer Utility Infrastructure (265th Street Extension) project to S.M. Hentges & Sons, Inc of Jordan, Minnesota, for the base bid amount of \$2,036,000.
2. Award the contract to one of the other bidders.
3. Do not proceed with this project.

**CITY MANAGER'S RECOMMENDED ACTION:**

**By approving the final plans and specifications and awarding the contract, this project will extend public sanitary sewer infrastructure into priority tiers shown in Ames Plan 2040.** It allows for a substantial amount of the growth area to be developed and sets up the system for future extension. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

**ATTACHMENT(S):**

[Ames 2040 Plan Overview.pdf](#)