

ITEM #:	<u>21</u>
DATE:	<u>12-09-25</u>
DEPT:	<u>PW</u>

COUNCIL ACTION FORM

**SUBJECT: 2023/24 AMES PLAN 2040 SANITARY SEWER EXTENSION
(S 500TH AVENUE/COUNTY LINE ROAD)**

BACKGROUND:

This program involved installation of public sanitary sewer infrastructure into the priority growth tiers shown in the Ames Plan 2040. Installation of the sanitary sewer system proactively opens the ability to develop land in the adopted growth tiers. **This project included extending a new 15" sanitary sewer from south of Norris Street west to S 500th Avenue (County Line Road), then north approximately 300 feet.**

On November 12, 2024, City Council awarded a contract to Rognes Corp of Ankeny, IA in the amount of \$551,057.70. Three change orders were approved as part of the project. Change Order No. 1 was approved in the amount of \$7,200 for repair of field tile. Change Order No. 2 was approved in the amount of \$302.50 for installation of Type III Matting. Change Order No. 3 (balancing) was administratively approved by staff and included a deduction in the amount of \$16,082.50. The balancing change order reflects the actual measured quantities completed during construction. **Construction was completed in the amount of \$542,477.70.**

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

Description	Available Revenue	Estimated Expenses
American Rescue Plan (ARPA) Funds	\$661,058	
Construction (as bid)		\$551,057.70
Change Order No. 1		7,200.00
Change Order No. 2		302.50
Change Order No. 3 (balancing)		(16,082.50)
Final Construction Cost		\$542,477.70
Engineering/Administration		\$110,000.00
TOTAL	\$661,058	\$652,477.70

*Remaining funding will be utilized for other ARPA eligible projects.

On January 27, 2025, Rognes Corp workers accidentally started a fire at the job site that resulted in damage to two properties and injury to one individual. Representatives of Rognes Corp immediately took action and engaged with the property owners. The City of Ames has not been involved in the handling of this incident, but has communicated with Rognes Corp's insurance company regarding the status of the claims. The claims are all either settled or in the process of being settled. All communications with the claimants have occurred between either Rognes Corp or its insurer.

As with all City construction projects, the contract language requires that the

contractor to indemnify and hold harmless the City from any negligence from acts of the contractor or their subcontractors during construction. Rognes Corp is solely responsible for addressing damages arising from this incident. Rognes Corp has indicated via the attached letter that they are continuing to work through their insurance company to settle claims from this incident.

ALTERNATIVES:

1. Accept the 2023/24 Ames Plan 2040 Sanitary Sewer Extension (S 500th Avenue County Line Road) project as completed by Rognes Corp of Ankeny, Iowa, in the amount of \$542,477.70.
2. Direct staff to pursue changes to the project.

CITY MANAGER'S RECOMMENDED ACTION:

This project has been completed in accordance with the approved plans and specifications. This project will extend public sanitary sewer infrastructure into priority tiers shown in the Growth Plan 2040.

The City Attorney has advised, after consultation with the City's insurance provider and outside counsel, that proceeding with contract closure and release of retainage does not place the City at legal risk. Responsibility for resolving the claims arising from the incident rests with the contractor and its insurer, who continue to work directly with the impacted property owners.

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

ATTACHMENT(S):

[B01\(CAF\).pdf](#)

[Certification Letter 23-24 Ames Plan 2040 Sanitary Sewer Ext. \(S 500th Ave County Line Rd\).pdf](#)

[Letter from Rognes Corp 11-26-25.pdf](#)