

ITEM #:	<u>31</u>
DATE:	<u>05-26-26</u>
DEPT:	<u>PW</u>

## COUNCIL ACTION FORM

**SUBJECT: RESOURCE RECOVERY AND RECYCLING CAMPUS CONSTRUCTION  
MATERIAL TESTING**

### **BACKGROUND:**

The Resource Recovery and Recycling Campus (R3C) project represents a new method for handling solid waste, recycling, and yard waste for the City of Ames and partner agencies. This project includes the construction of a new transfer station to receive, process, and transport solid waste to the City's new landfill partner in Carroll County. Additionally the project will include a receiving area for recyclables that will then be transported to a material recovery facility and an area for yard waste collection. The new R3C facility will be located at 220 Freel Drive.

Following contract award, City staff solicited quotes in April 2026 for construction materials testing services from qualified firms for the project. A contract was awarded to Braun Intertec Corporation of Urbandale, IA in the amount of \$48,793.50. **The contract award excluded onsite paving material testing and inspection services. The original intent was to utilize internal City of Ames Public Works Engineering staff to provide these services as they closely align with material testing services performed on street reconstruction projects. The Engineering staff would then charge their time to the project as an expense.**

Due to the heavy street reconstruction workload already in place for the Public Works Engineering staff, the accelerated schedule of the R3C project, and the competitive cost proposals for construction material testing services, a quote for adding this additional work to Braun Intertec's scope was requested. **The cost to perform these additional services is \$3,668, which is substantially more cost effective than what City staff can provide these services in the same timeframe.** This will allow Public Works Engineering staff to focus on their regular work activities, which includes the important customer service and coordination with local residents during street reconstruction projects.

This added scope of work will increase the overall expense to \$52,451.50, which requires City Council approval in accordance with Purchasing Policy.

**With the addition of this scope of work to Braun Intertec, staff is recommending reducing the overall budgeted amount for construction material testing services by \$153,760 for a revised total of \$75,000. The \$153,760 will be added into the construction contingency budget bringing the new total to \$582,358 to account for potential changes necessary as the project is constructed.**

A revised project budget is provided below:

<b>Budgeted Revenues</b>		<b>Budgeted Expenses</b>	
Revenue Abated G.O. Bonds	\$22,006,730	Land Acquisition (220, 306, 312, 318, 400 Freel Drive)	\$1,077,500
Fleet Services Reserve Fund	425,000	Due Diligence prior to closing	15,465
FY 2025/26 Stormwater Quality Improvements CIP	159,077	Conceptual Design and Financial Modeling	50,000
Electric Services Rebate	3,000	Final Design	965,715
Solid Waste Alternatives Program (SWAP) Grants	100,000	Final Design Contingency	75,000
		Permitting	38,000
		Construction Contracts (as bid)	\$19,619,767
		Previously approved change orders	(1,627,770.97)
		Construction Incentives	100,000
		Items by Owner (FFE/Cameras/Fiber Network/Tree Clearing) (This Council Action)	266,600
		Construction Contingency ( <b>revised</b> )	<b>582,358</b>
		Construction Inspection ( <b>revised</b> )	<b>75,000</b>
		Construction Manager Fee (Fixed fees plus 2.25% of contract amounts)	952,860
		Construction Manager General Conditions Costs (est.)	<u>448,000</u>
<b>R3C Construction Revenue Subtotal</b>	<b>\$22,693,807</b>	<b>R3C Construction Subtotal</b>	<b>\$22,638,494.03</b>
Electric Utility Fund	\$2,340,000	Mobile Equipment (transfer trucks and trailers, est.)	\$2,340,000
G.O. Bonds	\$975,000		
Unobligated G.O. Bonds	225,000		
Water Utility Fund	40,000	Freel Drive Paving (as bid + contract admin)	\$1,102,310
<b>Total Project Revenues</b>	<b>\$26,273,807</b>	<b>Total Project Expenses</b>	<b>\$26,080,804.03</b>

**ALTERNATIVES:**

1. Approve Change Order No. 1 with Braun Intertec Corporation of Urbandale, IA in the amount of \$3,668.
2. Direct staff to pursue other alternatives to provide construction material testing services for the on site paving.

**CITY MANAGER'S RECOMMENDED ACTION:**

The addition of this scope of work to Braun Intertec allows for the most cost-effective means to provide these critical construction material testing services. **Additionally, this will free up Public Works Engineering staff resources to provide support to residents during street reconstruction projects. The savings realized from this change will be kept in the R3C construction contingency fund to address future necessary budgetary changes.** Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative 1, as described above.