



City Council Agenda Item Report

Submitted by: Mark Palmer

Submitting Department: Capital Improvement Engineering

Meeting Date: May 23, 2017

Subject:

Shaw Road, 23rd Ave SE to Manorwood, Budget

Presenter:

Mark Palmer

Recommendation:

Recommend Council amend the budget for the Shaw Road, 23rd Ave SE to Manorwood project as reflected in Exhibit A, adjust the Capital Improvement Budget as proposed by staff, and authorize advertisement and receive bids, subject to Transportation Improvement Board approval.

Background:

The Shaw Road, 23rd Ave SE to Manorwood project is nearing completion of design. During the course of the design several important decisions were made regarding the project. One of the earliest decisions was not to underground the utilities within the project area due to the estimated high cost to do so. Another decision was to include planted medians in the areas where left turn lanes are not required. As part of the median design, some urban design elements, such as benches, stamped concrete, concrete sidewalks and garbage cans were included in the design primarily for aesthetic reasons. Also, the Sanitary Sewer Comprehensive Plan was updated during the design process. This report identified a sanitary sewer line that will be required to be upgraded in the next six years for capacity. As such, the upgrade of this line was incorporated into the plans for the project to prevent demolishing and reconstructing concrete panels early in the life cycle of the project.

All of the above items combined to increase the effort and time for the design consultant to complete the design documents. The passage of time beyond the originally anticipated start date of the project has also exposed the project to the effects of inflation. The current bid environment has demonstrated bids above engineer's estimates and low numbers of bids. Staff is not anticipating any slowdown in the near term and continues to expect a less than favorable bid environment.

The combination of the above effects has created a need for a budget adjustment for the Shaw Road project. The TIB grant conditions require approval prior to advertising for bids. As part of this approval, the receiving jurisdiction must also indicate that sufficient funds have been committed to pay for the construction of the project. A summary of the previously approved budget and the necessary adjustments to fully fund the project are listed in the table attached.

Council Direction:

Fiscal Impacts:

See attached spreadsheet

2017 Currently Budgeted Funds		
TIB Grant	\$5,000,000	
Water	\$140,000	
Storm	\$900,000	
Total Current Budget	\$6,040,000	
Total Current Project Estimate	\$8,634,322	Based on the factors mentioned above
Plus contingency amount	\$63,848	Provides about 1% contingency for construction costs. 10% is normally desired.
Adjusted Total Project Budget	\$8,698,170	
Additional Expenditure Budget Needed	\$2,658,170	
Proposed Funding Sources:		
Additional Potential Grants (TIB and Flood)	\$850,000	\$750,000 from TIB (15%) and approximately \$100,000 from Opportunity fund of the Pierce County Flood Control Zone District. Both of these are high probability asks.
Advance planned Storm share from 2018 into 2017	\$600,000	Money is in the projected budget for 2018, moving it forward to 2017 by using existing unallocated Storm System Improvement funds.
Sanitary Sewer Budget (Sewer fund, includes design)	\$900,000	Proportion of project attributed to sanitary sewer. Sanitary sewer was not included in the initial budgets since this was an unidentified need. Full amount won't be used if project comes in at budget.
Less design elements removed	\$308,170	Items changed/eliminated to reduce budget: Stamped Concrete Shoulder (replaced with large rock); Benches, Bike Racks, etc.; Block Facing on Soldier Pile Wall; Cement concrete sidewalks; Gravel Borrow under Asphalt
Total additional funding proposed	\$2,658,170	

Original Construction Cost Estimate	\$ 5,950,000.00
Original Engineering Fee	\$997,363.03
Total Original Project Cost Estimate \$ 6,947,363.03	

Changes to Original Construction Cost Estimate to Current Project Cost Estimate due to changes to design elements and increased construction costs

Design Elements Added After Initial Estimate

Bid Item	Est. Cost
Large Rock Removal	\$ 42,000.00
Porous Shoulder Mix	\$ 3,445.00
Dense Conc. Band	\$ 34,080.00
Stamped Cement Concrete Shoulder	\$ 274,050.00
Median Cement Concrete	\$ 2,400.00
Median Colored Concrete	\$ 2,340.00
Median Decorative Stamped Concrete- Type 1	\$ 3,696.00
Median Decorative Stamped Concrete- Type 2	\$ 9,108.00
Modular Block Wall Facing	\$ 36,750.00
Monitoring Port	\$ 6,000.00
Install New Ergo Ring and Cover, Adjust to Grade	\$ 9,100.00
Install New Frame and Solid Locking Rectangular Cover, Adjust to Grade	\$ 400.00
Install New Frame and Grate, Adjust to Grade	\$ 2,000.00
Conversion Riser	\$ 2,100.00
Trench Dam	\$ 12,500.00
Automatic Irrigation System, Complete	\$ 115,000.00
Planter Band Curb	\$ 36,625.00
Trash Receptacle	\$ 1,000.00
Bench	\$ 2,500.00
Bike Rack	\$ 1,000.00
Mutt Mitt	\$ 2,000.00
Creative Distribution Improvements	\$ 50,000.00
Sanitary Sewer/Water Improvements	\$ 380,985.50
Subtotal	\$ 1,029,079.50

Increases Based on Design Modifications (Increased Quantities)

Mobilization	\$ 180,000.00
Temporary Traffic Control	\$ 87,000.00
Pavement Removal	\$ 22,456.00
Cement Conc. Sidewalk Removal	\$ 798.00
Curb Removal	\$ 5,025.00
HMA Cl. 1/2 In. PG 64-22	\$ 73,260.00
Additional Storm Drain Improvements	\$ 153,150.00
Additional Landscaping	\$ 31,515.00
Subtotal	\$ 553,204.00

Increased resulting from Increased Construction Cost Index (CCI)

June 2015 CCI	10398.24
December 2016 CCI	10622.73

Increase Resulting from Increased CCI \$ 162,616.20

Approximate Total Construction Cost Increase \$ 1,744,899.70