

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to Authorize the City Manager \$20,000 in Additional Contract Contingency Authority and to Execute a Contract Amendment with KBA to Extend Construction Management Services to complete the North City Project
DEPARTMENT:	Public Works
PRESENTED BY:	Paul S. Haines, Public Works Director John F. Vicente, Capital Projects Manager

PROBLEM/ISSUE STATEMENT: Staff is requesting that Council authorize the City Manager \$20,000 in additional contingency authority and to execute a contract amendment with KBA to extend construction management services to complete the North City Project.

The current contract with KBA included services through to the end of June. Delays resulting from the Qwest utility underground conversion delayed the project approximately 2½ weeks. The conversion was completed on July 5th. Also, with the absence of key staff, in house resources have become limited prompting the need for outside services to provide assistance in completing the project.

Final concrete pours at the intersections of N 177th and N 180th Streets as well as the pole locations, installation of a few trees, and private property restoration were items put on hold until the utility poles were removed. This final work requires approximately 2 weeks to complete and punch list items and project cleanup will follow. Work in August would consist of reviewing as-built plans for accuracy and transfer of field files to the City.

To complete the project, an additional 1½ months of part time construction management services will be needed for the project which is expected to be completed at the end of July 2006. The remaining ½ month would be for project close out services (review of as-built plans, file close out, final payment to the contractor, close out of field office, contract close out). The contract amendment amount will cover the time needed to complete these services. No additional scope is being added to the contract.

FINANCIAL IMPACT: The budget for the entire 15th Avenue NE/NCBD Project is \$10,002,831, including design, construction, right of way acquisition, and staff time. \$9,512,701 is for the North City Project and \$490,130 is for the 15th Avenue NE/NE 150th Street Signal Project.

During the course of construction, savings were found which reduced the total construction cost of the project. As a result, the additional contract amendment amount would not require an increase in the total funding for the project; staff is requesting an increase in contingency amount for the KBA contract.

The original contract amount for KBA was \$398,985. Amendment #1 for \$32,402 was authorized due cost increases to consultant salaries resulting from delays in the start of construction. Amendment #2 for \$17,598 was authorized due to delays as a result of project changes and weather delays which extended the contract period for a month. If approved, the total contingency for this contract would be \$70,000. Although the \$70,000 is more than 10% of the original contract amount, the first amendment established a new contract amount that reflected changes in the market over the course of a year from when the original contract was signed in April 2004 to when construction was approved in March 2005. Based upon the new contract amount at the start of construction, \$431,387 (\$398,985+\$32,402), the remaining contingency of \$17,598 and \$20,000 would be 8.7% of the contract amount at the start of construction which is within typical ranges for increases due to construction changes.

RECOMMENDATION

Staff recommends that Council authorize the City Manager additional contract contingency authority and to execute a contract amendment with KBA to extend construction management services to complete the North City Project for an amount not to exceed \$20,000.

Approved By: City Manager  City Attorney ____