



**City of Missoula, Montana  
City Council Committee Agenda Item**

**Committee:** Climate, Conservation and Parks

**Item:** Caras Park Outfall Phase II Project Contract Amendment

**Date:** May 31, 2022

**Sponsor(s):** Nathan McLeod

**Prepared by:** Nathan McLeod

**Ward(s) Affected:**

<input checked="" type="checkbox"/> Ward 1	<input type="checkbox"/> Ward 4
<input type="checkbox"/> Ward 2	<input type="checkbox"/> Ward 5
<input type="checkbox"/> Ward 3	<input type="checkbox"/> Ward 6
<input type="checkbox"/> All Wards	<input type="checkbox"/> N/A

**Action Required:**

Approve and authorize the Mayor to sign the contract amendment

**Recommended Motion(s):**

I move the City Council: Approve and authorize the Mayor to sign the contract amendment

**Timeline:**

Committee discussion:	June 8, 2022
Council action (or sets hearing):	June 13, 2022
Public Hearing (if required):	<a href="#">Click or tap here to enter text.</a>
Final Consideration	<a href="#">Click or tap here to enter text.</a>
Deadline:	<a href="#">Click or tap here to enter text.</a>

**Background and Alternatives Explored:**

Request

This referral is a request to reconcile engineering consultant effort during construction phase services of the Caras Park outfall phase II project (Caras Park Phase 1). This request is a result of numerous external influences resulting in a construction schedule extension. The need to extend the construction schedule was supported by the Contractor, Owner, and Engineer; however, additional construction phase services by the engineer was necessary. While significant cost efficiencies occurred through bidding of the stormwater infiltration gallery and park implementation under one package, there are cost increases associated with additional construction phase services and this request is to reconcile the additional efforts.

Project Budget History

The City of Missoula initiated design and construction of Caras Park Phase 1 (Schedule B) concurrently with the implementation of the Caras Outfall Stormwater Infiltration Gallery (Schedule A) with the purpose of optimizing construction cost efficiencies. Bidding and constructing both projects at the same time resulted in efficiency savings of approximately \$91,000.

Following bid award, the Engineer, Owner, and Contractor identified and implemented approximately \$160,000 in value engineering savings. The value engineering and efficiencies related to construction optimization resulted in savings of nearly \$250,000 allowing the City to proceed with this project.

#### Project Timeline and Unforeseen Impacts to Construction Schedule

Construction for both the stormwater and parks improvements commenced in early October 2021. Numerous challenges impacted progress of the construction phase of this project. Impacts to progress with the construction schedule included:

- Unusual lead time for materials and equipment
- Value engineering changes and the resultant delays associated with contractor requests for information and the owner and engineer's response.
- Time delays with coordination with shade canopy supplier (an Owner provided item). On-site adjustments due to changes in canopy pier sizing from supplier.
- Contractor workforce impacts related to COVID cases with employees and general workforce availability resulting schedule delays there were outside of the contractor's control.
- Effect of winter weather on construction sequencing, resulting in numerous smaller concrete pours requiring additional site visits by engineer.
- Owner requested project design refinements and the associated affects to the schedule.
- Unforeseen subsurface conditions related to buried concrete debris and unidentified electric service, causing additional delays.
- Overall complexity of this project due to multiple elements (concrete, electrical, subsurface utilities, specialty items, site location etc.).

Due to the challenges described above, the substantial completion date for Schedule B – Park was extended from December 31, 2021, to April 16, 2022. The effect of an extended construction window increased the time required for construction observation by the engineer.

The Engineer's contracted scope of work for construction phase services was defined based on an assumed duration of time and a defined number of hours per week. This was developed prior to the extension of the substantial completion date. The engineer notified the City when duration of the contracted scope of work concluded and both parties agreed continued observation was necessary. The construction phase services from this point forward were limited as much as possible while still ensuring the quality of the project.

#### **Financial Implications:**

This reconciliation request increases the engineer's scope and budget to match the actual expended effort for the additional construction window, which was outside of the engineer's scope of work. The total engineering amendment request associated with construction phase services is \$26,750.22. For reference, construction phase services are traditionally estimated at 7% to 10% of construction. For this project, the construction phase services budget was significantly less due to combining the parks project with the stormwater project.

The engineering firm is not requesting an amendment for in scope budget overruns totaling nearly \$15,000.

Item	Initial Effort	Final Effort	Change
Construction	\$1,485,123.65	\$1,343,259.15	-\$141,864.50
Construction phase engineering services	\$15,871.00	\$42,621.22	\$26,750.22
Total	\$1,500,994.65	\$1,385,880.67	-\$115,114.28

**Links to external websites:**