

Mayor and Council Communication

DATE: 08/25/20

M&C FILE NUMBER: M&C 20-0591

LOG NAME: 20SILVER CREEK ROAD APPROPRIATION

SUBJECT

(CD 7) Adopt Appropriation Ordinance in the Amount of \$250,000.00 for the Silver Creek Road Improvements Phase 2 Construction Project for Additional Construction Services and Contingencies, and Update the FY2020-2024 Capital Improvement Plan (2014 Bond Program)

RECOMMENDATION:

It is recommended that the City Council adopt the attached Appropriation Ordinance increasing the appropriations in the 2014 Bond Program Fund for additional City construction services and contingencies at the Silver Creek Road Improvements Phase 2 (City Project No. C02101) project in the amount of \$250,000.00.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize an additional \$250,000.00 for City staff costs for construction services and contingencies including inspection, material testing, administration, and project management and contingencies associated with the completion of the construction of Silver Creek Road Phase 2. Previous cost estimates did not include the cost of construction administration or contract contingency. In addition, the cost of materials testing and inspection were underestimated based on historical data that has since been updated to reflect current market conditions. Actual materials testing and inspection cost to date indicate the cost will exceed the original estimates based on historical data.

The additional funds will come from the 2014 Bond residuals. The construction contract was awarded on October 22, 2019 (M&C 19-0262) to Texas Materials dba JLB Contracting in the amount of \$4,918,903.64.

This project is included in the 2014 Bond Program. Available resources within the General Fund will be used to provide interim financing until debt is issued. Once debt associated with the project is sold, bond proceeds will reimburse the General Fund in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance No. 21241-05-2014) and subsequent actions taken by the Mayor and Council.

The table below summarizes all of the past appropriations and their sources and presents the estimated cost of the project (C02101) at completion:

Fund	Existing Funding	Additional Funding	Project Total
2014 Bond Fund - 34014	\$6,691,000.00	\$250,000.00	\$6,941,000.00
Transportation Impact Fee Cap Legacy - 39008	\$68,063.80	\$0.00	\$68,063.80
Project Total	\$6,759,063.80	\$250,000.00	\$7,009,063.80

Funding for this project was included in the FY2020-2024 Capital Improvement Plan in the amount of \$6,759,063.80. Additional funding in the amount of \$250,000.00 is needed due to increased construction costs. The action in this M&C will update the FY2020-2024 Capital Improvement Plan.

M/WBE Office: N/A

The Silver Creek Road Improvements Project Phase 2 is located in COUNCIL DISTRICT 7.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and adoption of the attached appropriation ordinance, funds will be available in the 2014 Bond Program Fund for the Silver Creek Road Improvement Phase 2 project to support the approval of the above recommendation. Prior to an expenditure being incurred, the Transportation & Public Works Department has the responsibility of verifying the

availability of funds.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: William Johnson 7801

Additional Information Contact: Monte Hall 8662