



Date: November 8, 2011

To: Thomas J. Bonfield, City Manager

Through: Theodore L. Voorhees, Deputy City Manager

From: Donald F. Greeley, Director, Water Management
Jerry Morrone, Engineering Supervisor, Water Management

Subject: Southern Reinforcing Main Phase II Design Contract– Kimley-Horn and Associates, Inc. – Amendment #3

Executive Summary:

On October 4th, 2010, City Council awarded a contract to Kimley-Horn and Associates, Inc., to provide design, permitting, bidding and construction related services for the Southern Reinforcing Main Phase II (SRM II) water transmission main project. The project's design scope included an evaluation of alternative routes. Based on the evaluation, a route was selected for subsequent surveying, geotechnical, permitting, and easement-acquisition services.

During negotiations for easement acquisition, portions of the selected route needed to be adjusted to accommodate property owner wishes and to facilitate the acquisition process. Additional surveying and geotechnical exploration were needed for the adjustments. The project has also been broken into two bid packages where one segment can be constructed while easement is being acquired in the other segment. The additional surveying, geotechnical exploration, design, and easement acquisition services have been paid for out of contingency funds, and the Department is recommending restoring the contingency funds used to pay for potential additional services needed to complete design, permitting, and easement acquisition of two bid-and-construction packages.

Recommendations:

The Department recommends the City Council:

1. Authorize the City Manager to execute Contract Amendment #3 with Kimley-Horn and Associates, Inc, for the Southern Reinforcing Main Phase II Design Contract in the amount of \$23,250, for a total contract cost not to exceed \$1,488,357.
2. Authorize the City Manager to negotiate change orders for the contract provided that the cost of all change orders does not exceed \$188,700 and the total project cost does not exceed \$1,680,057.

Background:

The City of Durham Department of Water Management owns and operates the Ellis Road elevated storage tank on Ellis Road near the northern intersection of NC 147 and Ellis Road. The Department of Water Management has currently issued for bid the construction of an elevated storage tank at the intersection of Angier Avenue and Miami Boulevard. The Southern Reinforcing Main Phase II project currently being designed by Kimley-Horn will connect these two tanks to allow the tanks to hydraulically balance and to provide water to the proposed Southeast Pressure Zone.

The Southern Reinforcing Main Phase II project is currently in design by Kimley-Horn and Associates. After the scope of Kimley-Horn's design contract had been established, the transmission main design was split in to two separate contracts, and the proposed alignment was altered to accommodate conditions encountered in the field as well as property owner requests. This split could result in additional work for Kimley-Horn, which will require contingency money to fund. The revision to the proposed alignment has generated additional field services that have already been paid for out of contingency money, which has reduced the amount of money authorized by Council.

Issues and Analysis:

Any route selected by Kimley-Horn must begin at the Ellis Road elevated storage tank. The properties impacted by the proposed project requiring landscape plan revisions are directly adjacent to the Ellis Road tank, and as a result are very difficult to avoid. The existing right of way on Ellis Road cannot accommodate utilities of the magnitude proposed by this project, and as a result the installation of the water transmission main on private property is unavoidable. The landscaping impacted by the proposed project is required to screen the existing property from the road, and as a result is located as close to the Ellis Road right of way as possible. Due to the proximity of the landscaping to the right of way, avoiding impacts to the landscaping is not practical, and any impact to landscaping that is part of an approved landscaping plan requires a landscaping plan modification. Modifications to approved landscaping plans are not currently within the scope of Kimley-Horn's design contract with the City.

When the scope of engineering and design services was established between Kimley-Horn and the City, assumptions were made about the magnitude of field services such as surveying, utility exploration and geotechnical exploration were made. These assumptions were made out of necessity prior to the study of proposed water transmission main routes. The selected route has been altered to accommodate conditions encountered in the field as well as property owner requests, and additional field services have been required as a result. These field services were paid for out of contingency money previously authorized, reducing the money available for later work. Additional work by Kimley-Horn not currently within the scope of their contract is likely due to the need to split the project in to two phases. Without sufficient money available in the contingency fund to cover these services, the project will likely be delayed while additional funding is authorized.

Alternatives:

There are two alternatives:

Alternative 1: Do not enter in to an amendment with Kimley-Horn and Associates, Inc. and attempt to permit the landscape plan changes with City staff. City personnel do not currently have the availability or resources permit the landscaping plan changes required. A more expensive alternate alignment would be required to prevent impacts to the affected properties.

Alternative 2: Do not enter in to an amendment with Kimley-Horn and Associates, Inc and instead exempt the affected properties from all requisite landscaping plan requirements. Under this alternative, Council would authorize the City/County Planning Department to exempt the affected properties, and a revised landscape plan would not be submitted. Landscaping that was impacted would likely be restored, but not in conformance with current City standards. This restoration will present difficulties to the existing property owners if redevelopment of the affected properties is ever proposed.

Financial Impacts:

Funds for the Southern Reinforcing Main Phase II Design Contract are budgeted in the Southern Reinforcing Main Phase Account in the Capital Improvement Program. There are currently funds available for this contract in account 4100P762-731000-P071A.

SDBE Summary:

This is a contract amendment and is not reviewed by the Department of Equal Opportunity/Equity Assurance for compliance with the Ordinance to Promote Equal Opportunities in City Contracting.