



Engineering and Public Works Department
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-0800 Facsimile: 586-4565

DATE: August 21, 2023

TO: Wade Bryson, Chair
Public Works and Facilities Committee

THROUGH: Katie Koester, Engineering and Public Works Director

FROM: John Bohan, Chief Engineer

SUBJECT: Funds Transfer to Spruce Lane Reconstruction CIP R72-158 (\$150,000)

Staff requests a transfer of \$150,000 from Capital Improvement Project (CIP) R72-158 – Teal Street Reconstruction, to CIP R72-157 - Spruce Lane Reconstruction to cover the costs of the removal and replacement of unsuitable existing soils found within the road base.

Spruce Lane, in the Mendenhall Valley, is currently in the process of being reconstructed. Upon starting trenching to replace the water system, the underlying soils were found to be unsuitable, and contaminated with silt, clay, and organic matter. The poor underlying soils need to be removed an additional 2 feet and replaced with sound structural fill to ensure the longevity of the reconstruction project. The poor soil was not evident during the road surface review during the design process and was not included in the construction bid. This work will be extra work on the contract, requiring additional funds to compensate the contractor for the unforeseen work. The extra work is expected to cost approximately \$150,000.

The low bid for Spruce Lane was just over \$517k (\$63k over the Engineer's Estimate), leaving \$50k available for project contingency to cover minor extra work items, not enough to cover the \$150,000 required to address the unsuitable road base soils.

The Teal Street project is in the final stages of completion (final concrete, ditching, finish grading, streetlight installation, and other misc. cleanup work) and will have adequate funding remaining after this requested transfer to cover the final change order for extra work encountered and final quantity adjustments.

Action Requested

Staff requests the \$150,000 transfer, as described above be forwarded to the full Assembly for approval.