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MEMORANDUM

Engineering Services

Date: February 3, 2026

To: Mayor Jackola and City Council
From: Ron Whitlatch, City Manager
Subject: **Approval to Award GMP Amendment No. 2 – Final GMP**
Cheadle Lake Park Improvements Project
Project No. 23704

Background

In July 23, 2025, the Lebanon City Council awarded the CM/GC Contract for the Cheadle Lake Park Improvements Project to Knife River Corporation – Northwest. This initial contract was for Pre-Construction Phase Services, which included value engineering, final design recommendations, cost estimating, and development of Guaranteed Maximum Prices (GMPs) for construction of the project.

In October 2025, the City Council approved and awarded GMP Amendment No. 1 for the Cheadle Lake Park Improvements Project. GMP 1 included the work necessary to widen Weirich Drive, construct the multi-use path along the Weirich Drive frontage, install utility stub-outs to the park, and complete final paving of Weirich Drive. Award of GMP 1 allowed construction activities to begin while the remaining elements of the project continued to be refined.

Over the past several months, City staff, Knife River, and Udell Engineering have worked collaboratively to further scope and scale the remaining project elements to fit within the available funding. This process included evaluating multiple design iterations, construction approaches, and cost estimates to balance desired amenities with fiscal constraints. Unfortunately, due to construction costs, the project will not include the construction of an amphitheater at this time.

The proposed scope for GMP Amendment No. 2 focuses on completing the core park infrastructure and amenities while preserving the ability to add an amphitheater in the future. GMP 2, in the amount of \$3,478,138.38 includes ADA-accessible parking, a paved parking lot, multi-use paths to provide ADA access throughout the site, an ADA-compliant restroom facility, and site lighting. In addition, the project includes installation of underground and supporting infrastructure necessary for lighting, restroom facilities, irrigation, and future power needs to support a potential amphitheater when funding becomes available.

Recommendation

Staff recommends that City Council pass a motion to approve GMP Amendment No. 2 – Final GMP, in the amount of **\$3,478,138.38**, to the original Construction Manager/General Contractor (CM/GC) contract with Knife River Corporation – Northwest for the Cheadle Lake Park Improvements Project.

**EXHIBIT C
GMP AMENDMENT**

**CITY OF LEBANON, OREGON
CHEADLE LAKE PARK IMPROVEMENTS**

THIS AMENDMENT IS BETWEEN:

OWNER: City of Lebanon, Oregon And

**CONSTRUCTION MANAGER/
GENERAL CONTRACTOR ("Contractor"): Knife River Corporation -
Northwest**

PROJECT: City of Lebanon, Oregon, Cheadle Lake Park Improvements

DATE OF ORIGINAL CONTRACT: August 14, 2025

DATE OF THIS AMENDMENT: February 11, 2026

AMENDMENT NUMBER: 2 – 100% GMP

The Owner and Contractor hereby amend the Contract as set forth below. Capitalized terms used but not defined herein shall have the meanings given in the Contract Documents. Except as amended hereby, the Contract remains in full force and effect.

1. GMP. The parties agree that the GMP for the Project is **\$4,690,463.62** consisting of the Preconstruction Services Cost, the Estimated Cost of the Work including the fixed General Condition costs and the CM/GC Fee, as follows:

Preconstruction Fee:	<u>\$ Previously Paid</u>
Estimated Cost of Work (Est. COW):	<u>\$ Included in Final GMP</u>
GMP 1:	<u>\$ 1,212,325.24</u>
GMP 2:	<u>\$ 3,478,138.38</u>
GMP (total of above categories):	<u>\$ 4,690,463.62</u>

For purposes of determining the GMP, the Estimated Cost of the Work includes Contractor's Contingency, the Fixed Cost for GC Work, and the costs of all components and systems required for a complete, fully functional facility.

2. Basis of GMP No. 2. The GMP is based on the GMP Supporting Documents attached as Attachments A-F including the Allowances, assumptions, exclusions, unit prices, and alternates designated therein.

3. Plans and Specifications. The Plans and Specifications for the Project are as listed in the GMP Supporting Documents. Contractor shall perform Construction Phase Services in accordance with the Plans and Specifications and the other Contract Documents.

4. Substantial Completion Date. Notwithstanding any provision in the GMP Supporting Documents to the contrary, the required date for Substantial Completion is: 11/2/2026 (approximately one year from anticipated start date).

THIS AMENDMENT is executed in two original copies of which one is to be delivered to Contractor, and the remainder to Owner.

CM/GC:

CITY OF LEBANON, OREGON

Date

Date

Signature of Authorized Representative

Signature of Authorized Representative

Print Name

Ron Whitlatch

Print Name

Title

City Manager

Title

Mailing Address

Date

City, State, Zip

APPROVED AS TO FORM:

Telephone

Signature

Fax

John E. Kennedy

Print Name

Email

Title

Corporation Tax No. (if incorporated)

BID ITEM	DESCRIPTION	BID QUANTITY	UNIT	UNIT PRICE	TOTAL
1000	SCH A GENERAL DIRECT CONSTRUCTION COSTS				\$ 197,188.82
1010	CAT TAX	1.00	LS	\$ 12,309.00	\$ 12,309.00
1020	QUALITY CONTROL & TESTING	1.00	LS	\$ 37,192.49	\$ 37,192.49
1030	SAFETY & ADMINISTRATION	1.00	LS	\$ 31,363.12	\$ 31,363.12
1040	WASTE MANAGEMENT	1.00	LS	\$ 4,868.32	\$ 4,868.32
1050	PORTABLE RESTROOM	1.00	LS	\$ 5,192.87	\$ 5,192.87
1060	TEMPORARY FENCING	1.00	LS	\$ 11,747.10	\$ 11,747.10
1070	GRADE CHECK / VERIFICATION	1.00	LS	\$ 22,895.64	\$ 22,895.64
1080	STOCKPILE SOIL ON SITE	1.00	LS	\$ 9,239.74	\$ 9,239.74
1090	UNLOAD MATERIAL	1.00	LS	\$ 12,531.00	\$ 12,531.00
1100	POTHOLING	10.00	HR	\$ 491.98	\$ 4,919.80
1110	FINAL CLEANUP	1.00	LS	\$ 26,916.94	\$ 26,916.94
1120	STREET SWEEPING	104.00	EA	\$ 173.20	\$ 18,012.80
2000	SCH B PARKING LOT				\$1,402,255.21
2010	MOBILIZATION	1.00	LS	\$46,259.56	\$46,259.56
2020	SEDIMENT FENCE	1,500.00	LF	\$3.95	\$5,925.00
2030	STRAW WATTLE	250.00	LF	\$5.79	\$1,447.50
2040	CONCRETE WASHOUT	1.00	EA	\$2,163.69	\$2,163.69
2050	SAWCUTTING	48.00	LF	\$8.65	\$415.20
2060	REMOVAL OF STRUCTURES & OBSTRUCTIONS	1.00	LS	\$3,957.35	\$3,957.35
2070	CLEARING & GRUBBING	1.00	LS	\$5,477.97	\$5,477.97
2080	SUBGRADE GEOTEXTILE	17,908.00	SY	\$0.71	\$12,714.68
2090	GENERAL EXCAVATION	1,915.00	CY	\$33.52	\$64,190.80
2100	AGGREGATE BASE	9,427.00	TN	\$34.33	\$323,628.91
2110	LEVEL 2, 1/2" ASPHALT	3,101.00	TN	\$102.66	\$318,348.66
2120	4" SIDEWALKS	1,306.00	SF	\$12.04	\$15,724.24
2130	6" CONC VEHICLE PAVING	2,300.00	SF	\$8.68	\$19,964.00
2140	STRAIGHT CURB	3,477.00	LF	\$30.03	\$104,414.31
2150	SWALE EXC & GRADE	3,552.00	SF	\$4.54	\$16,126.08
2160	FINE GRADE LANDSCAPE AREAS	14,185.00	SF	\$3.36	\$47,661.60
2170	CONNECT TO EXISTING STORM	5.00	EA	\$1,547.70	\$7,738.50
2180	8-INCH ADS STORM	807.00	LF	\$101.51	\$81,918.57
2190	CATCH BASIN STEEL LYNCH	3.00	EA	\$3,270.62	\$9,811.86
2200	CATCH BASIN TYPE BEEHIVE	1.00	EA	\$3,284.45	\$3,284.45
2210	CURB INLET SPLASH PAD	10.00	EA	\$870.58	\$8,705.80
2220	CONNECT TO EXISTING SANITARY	1.00	EA	\$2,600.79	\$2,600.79
2225	4-INCH PVC SANITARY	36.00	LF	\$161.59	\$5,817.24
2230	6-INCH PVC SANITARY	298.00	LF	\$232.67	\$69,335.66
2235	SANITARY C/O	4.00	EA	\$1,339.67	\$5,358.68
2240	1" PRIVATE WATER, PEX	337.00	LF	\$31.49	\$10,612.13
2250	PAVEMENT MARKING	1.00	LS	\$16,227.72	\$16,227.72
2260	PARKING LOT LIGHTING	1.00	LS	\$145,798.62	\$145,798.62
2265	INSTALL POLE BASE	22.00	EA	\$1,867.31	\$41,080.82
2270	INSTALL BIKE RACK	5.00	EA	\$652.39	\$3,261.95
2280	RESTROOM ELECTRICAL	1.00	LS	\$2,282.87	\$2,282.87
3000	SCH C ON-SITE IMPROVEMENTS				\$1,471,791.42
3010	MOBILIZATION	1.00	LS	\$ 67,411.90	\$ 67,411.90
3020	SEDIMENT FENCE	1,920.00	LF	\$ 2.78	\$ 5,337.60
3030	STRAW WATTLES	250.00	LF	\$ 5.79	\$ 1,447.50
3040	CONCRETE WASHOUT	1.00	EA	\$ 1,622.76	\$ 1,622.76
3050	REMOVAL OF STRUCTURES & OBS	1.00	LS	\$ 6,547.56	\$ 6,547.56
3060	CLEARING & GRUBBING	1.00	LS	\$ 100,536.95	\$ 100,536.95
3070	GENERAL EXCAVATION	8,037.00	CY	\$ 26.65	\$ 214,186.05
3080	AGGREGATE BASE	7,987.00	TN	\$ 37.86	\$ 302,387.82
3090	4" SIDEWALKS	13,336.00	SF	\$ 7.18	\$ 95,752.48
3100	3" AC PATH	21,492.00	SF	\$ 3.52	\$ 75,651.84
3110	PAVE ACCESS ROAD 4" (L2 1/2")	817.00	TN	\$ 109.49	\$ 89,453.33
3120	6" CONC VEHICLE PAVING	1,443.00	SF	\$ 7.85	\$ 11,327.55
3130	LANDSCAPE GRADING	1.00	LS	\$ 51,408.45	\$ 51,408.45
3140	24" ADS STORM	40.00	LF	\$ 258.02	\$ 10,320.80
3150	INSTALL LIGHT POLE BASE	21.00	EA	\$ 1,904.46	\$ 39,993.66
3160	ELECTRICAL - ON SITE COMPLETE	1.00	LS	\$ 309,294.55	\$ 309,294.55
3170	FRANCHISE UTILITIES	1.00	LS	\$ 57,829.68	\$ 57,829.68
3180	P-CORP 575 VAULT	2.00	EA	\$ 9,885.34	\$ 19,770.68
3190	PAVEMENT MARKING	1.00	LS	\$ 11,510.26	\$ 11,510.26
SUBTOTAL DIRECT COST OF WORK					\$3,071,235.45



CM/GC CHEADLE LAKE PARK IMPROVEMENTS
 PHASE 2 PARKING LOT AND ON-SITE

JANUARY 2026

4000	ALLOWANCES				\$ 25,509.93	
4010	12-INCH SUBGRADE STAB	100.00	SF	\$ 3.12	\$ 312.00	
4020	TRENCH FOUNDATION STAB	10.00	CY	\$ 183.79	\$ 1,837.90	
4030	DEWATERING	30.00	HR	\$ 684.57	\$ 20,537.10	
4040	TEMP HYDROSEED (AS NEEDED)	1.00	AC	\$ 2,822.93	\$ 2,822.93	
7000	OWNER CONTINGENCY (7% OF DIRECT COST)				\$ 197,906.00	
8000	GENERAL CONDITIONS, BONDS, AND INSURANCE				\$ 183,487.00	
GRAND TOTAL					\$3,478,138.38	

NOTE: DIRECT COST OF WORK (WITHOUT MARKUP) = \$2,827,224.74

GENERAL CONDITIONS = 6.49% OF DIRECT COST OF WORK



February 2nd, 2026

Ron Whitlatch

City of Lebanon

RE: Proposal for GMP #2 (PH II) of the Cheadle Lake Park Improvements Project

The bid schedule (SCH C) for GMP #2 contains the following items

- Item# 3070 General Excavation
- Item# 3080 Aggregate Base
- Item# 3110 Pave Access Road 4" (L2 ½")

Item# 3070 includes cost for removal of a large dirt berm present in the future amphitheater area. The total cost of this removal (w/ allowable markup) is **\$108,785.30**

Item# 3080 includes cost to construct an aggregate surface @ 18" depth and 24,122 SF for a future stage area. The total cost of this gravel pad (w/ allowable markup) is **\$93,854.94**

Item# 3110 includes an allowance for paving the access road to the future stage area @ 4" depth. The total cost of this paving (w/ allowable markup) is **\$89,453.33**

Please do not hesitate to contact us with any questions

Thank you,

Chris Philipson

Christopher Philipson

2/2/2026

