



Date: August 13, 2024

Honorable Mayor and Council Members:

Slater Stewart, Assistant Engineer

Title: **2024 Paving and Drainage Project (C2402) and 2024 Trail Pavement Maintenance Project, (C2418) Budget Amendment**

Jen Callaway, Town Manager

Recommended Action: Council to:

- 1) Amend the existing 2024 Trail Pavement Maintenance Project, C2418, budget to increase the CIP budget by \$225,000 for a total CIP budget of \$1,425,000 as outlined in this staff report.
- 2) Authorize an additional \$730,000 contract contingency amount for the 2024 Paving and Drainage Project construction contract with Sierra Nevada Construction to increase the total contract contingency to \$1,189,800.70 and a total authorized expenditure amount of \$5,787,807.70.
- 3) Authorize the Town Engineer to approve contract change orders, changes to unit quantities, and alternative means-and-methods within authorized contract expenditure amount.

Discussion:

During the April 23, 2024 Council meeting, Council approved the 2024 Paving and Drainage contract award to Sierra Nevada Construction, Inc. (SNC). The project consists of paving approximately 8.0 miles of roadway and 3.9 miles of trail throughout Town.

Since the contract award in April, Engineering staff has identified additional paving work that would be beneficial to include in this year's paving and drainage project, summarized below.

Additional Crack Repair. Staff has reevaluated and developed an enhanced approach to crack repair to prevent cracks from reflecting back through new pavement prematurely. The proposed method includes removing larger asphalt cracks and backfilling them with compacted hot mix asphalt before the road or trail is overlain. Incorporating these crack repair methods is anticipated to result in a reduction in paving frequency and an increase in the pavement condition over the lifespan of the roads and trails. This additional crack repair work is proposed to be implemented on Ski Slope Way and all the paved Class I trails. While Public Works Road Maintenance and Trail Maintenance staff has the expertise to repair these cracks, staff is proposing to include the crack repair as a construction contract item so that it does not hold up the paving work and so that Public Works resources can be used elsewhere (including repairing cracks on other roadways and providing additional trail maintenance).

Staff notes that this approach of performing crack repair ahead of the asphalt overlay is uniquely important on our paved Class I trail system. Large transverse cracks are the most prevalent pavement distress on the trails, and they have the largest impact to the user experience and impact snow removal operations (which is true for roadways as well). Engineering staff is proposing to perform crack repair on all of the trails included in the original scope of work prior to asphalt overlay. Staff is also working on a change order with SNC to perform crack repair on

additional trails with no overlay planned. These additional trails include the trail that parallels Prosser Dam Road and a portion of the trail that parallels Highway 89 North between Gray's Crossing and Rainbow Drive. At this point, it is uncertain if this work (crack repair on trails not currently planned to be overlain) can occur this year, but staff is recommending that Council provide the funding authorization to proceed with the additional trail crack repair so that if it can be performed this year the funding authorization is in place. Should it not be performed this year, it can be included in SNC's schedule for spring of 2025. This would allow the crack repair to occur before summer 2025, when trail usage is at its highest.

Extension of Trail Paving Limits. Staff is proposing to extend the paving limits of the trail that parallels Henness Road as an additional section of trail has been determined to be in poor condition.

Intersection Improvement Items Already Added to the Scope. Expansion of the paving limits around the Truckee Way and Church Street Roundabout and the removal of asphalt at the Courtenay and Canterbury intersection in Glenshire have recently been added to the project through a change order.

As discussed in detail below, the cost associated with these additional work items exceeds the approved contract contingency, and the cost associated with the additional trail work items exceeds the approved project budget for C2418. As such, staff is recommending a budget amendment and increased contract contingency amount.

Priority:

<input type="checkbox"/> Enhanced Communication	<input type="checkbox"/> Climate and Greenhouse Gas Reduction	<input type="checkbox"/> Housing
<input checked="" type="checkbox"/> Infrastructure Investment	<input type="checkbox"/> Emergency and Wildfire Preparedness	<input type="checkbox"/> Core Service

Fiscal Impact:

On April 23, 2204, Council awarded the 2024 Paving and Drainage Project to Sierra Nevada Construction, Inc. in the amount of \$4,598,007 and authorized a \$459,800.70 contingency amount for a total authorized contract expenditure amount of \$5,057,807.70. The additional work described above was not included in the original scope of the contract, and the estimated total cost of this work is \$730,000 (as summarized in the table below), which exceeds the previously approved contingency amount. Therefore, staff is recommending that Council authorize increasing the contingency amount for the 2024 Paving and Drainage Project construction contract by \$730,000 (in addition to the currently-approved \$459,800.70 contingency) for a total authorized expenditure amount of \$5,787,807.70.

In addition, and also summarized in the table below, the 2024 Paving and Drainage Project includes funding from two CIPs: C2402 (2024 Paving and Drainage Project) and C2418 (2024 Trail Pavement Maintenance Project).

Table 1. Estimated Costs for Proposed Additional Work Items

Item	Estimated Cost	CIP Funding Source	Funding Source
Ski Slope Crack Repair	\$300,000	C2402 (2024 Paving and Drainage Project)	Measure V
Intersection Improvements	\$30,000	C2402 (2024 Paving and Drainage Project)	Measure V
2024 Paving and Drainage Project Subtotal	\$330,000		
Trail Crack Repair	\$240,000	C2418 (2024 Trail Pavement Maintenance Project)	Measure R
Extension of Trail Paving Limits	\$160,000	C2418 (2024 Trail Pavement Maintenance Project)	Measure R
2024 Trail Pavement Maintenance Project Subtotal	\$400,000		
Total	\$730,000		

Table 2: Estimated Project Costs for 2024 Paving and Drainage Project, C2402 and 2024 Trail Pavement Maintenance Project, C2418

Project Expenditure Area	Total Cost	2024 Paving and Drainage Project (C2402)	2024 Trail Pavement Maintenance Project (C2418)
Construction Contract and Contingency	\$5,057,807.70	\$4,056,807.70	\$1,001,000
Construction Administration	\$120,000	\$96,000	\$24,000
Previously-Approved Project Total	\$5,177,807.70	\$4,152,807.70	\$1,025,000
Proposed Additional Work	\$730,000	\$330,000	\$400,000
Total Proposed Project Cost	\$5,907,807.70	4,482,807.70	\$1,425,000
Current Proposed Budget	--	\$5,200,000	\$1,200,000
Required Budget Amendment Amount	--	\$0	\$225,000

Table 3: Proposed FY 24/25 Budget for 2024 Trail Pavement Maintenance Project, C2418

CIP Number	Funding Source	Adopted FY24/25	Proposed FY 24/25	Proposed Increase
C2418	Measure R Sales Tax Fund	\$1,200,000	\$1,425,000	\$225,000

The combined total cost of the additional work for C2402 (2024 Paving and Drainage) is estimated to be \$330,000. The adopted budget of \$5,200,000 for C2402 is adequate to cover this increase in cost.

The additional trail work is estimated to cost \$400,000. Staff recommends increasing FY 24/25 budget for C2418 as shown in Table 3 by a total of \$225,000 using Measure R Sales Tax Fund. The estimated Measure R FY 23/24 ending fund balance is \$2.07 million, which is adequate to fund this amendment.

Public Communication: Standard public bid notices were published for this project.

Attachments:

Attachment A – Locations of Proposed Crack Repair Prior to Overlay

Attachment B – Potential Extension of Trail Paving Limits

Attachment C – Potential Locations of Additional Crack Repair on Trails