



**CITY COUNCIL MEETING  
STAFF REPORT**

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| <b>Meeting Date: July 17, 2023</b>  |  | <b>Subject: Resolution No. 3021</b> - Authorizing the City Manager to Execute Guaranteed Maximum Price Amendment No. 2 to the Progressive Design-Build Agreement for the Boeckman Road Corridor Project with Tapani Sundt A Joint Venture – (CIP#s 2102, 4205, 4206, 4212, and 7067) |  |
|   |  | <b>Staff Member:</b> Andrew Barrett, P.E. Capital Projects Manager and Nancy Kraushaar, P.E., Project Engineer   |  |
|   |  | <b>Department:</b> Community Development   |  |
| <b>Action Required</b>  |  | <b>Advisory Board/Commission Recommendation</b>  |  |
| <input checked="" type="checkbox"/> Motion<br><input type="checkbox"/> Public Hearing Date:<br><input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date:<br><input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date:<br><input checked="" type="checkbox"/> Resolution<br><input type="checkbox"/> Information or Direction<br><input type="checkbox"/> Information Only<br><input type="checkbox"/> Council Direction<br><input checked="" type="checkbox"/> Consent Agenda |  | <input type="checkbox"/> Approval<br><input type="checkbox"/> Denial<br><input type="checkbox"/> None Forwarded<br><input checked="" type="checkbox"/> Not Applicable<br><br><b>Comments:</b> N/A  |  |
| <b>Staff Recommendation:</b> Staff recommends Council adopt the Consent Agenda.   |  |  |  |
| <b>Recommended Language for Motion:</b> I move to adopt the Consent Agenda.   |  |  |  |
| <b>Project / Issue Relates To:</b>  |  |  |  |
| <input checked="" type="checkbox"/> <b>Council Goals/Priorities:</b><br>Goal 1.5. Implement existing transportation plans and advance planning efforts to improve our local transportation network.   | <input checked="" type="checkbox"/> <b>Adopted Master Plan(s):</b><br>Transportation System Plan Project UU-01 | <input type="checkbox"/> Not Applicable  |  |

**ISSUE BEFORE COUNCIL:**

A City of Wilsonville Resolution approving Amendment No. 2, Guaranteed Maximum Price 2 (GMP 2), to the Progressive Design-Build Agreement with Tapani|Sundt, a Joint Venture, for the Boeckman Road Corridor Project (BRCP) in the amount of \$2,740,777.23.

## EXECUTIVE SUMMARY:

At their June 6, 2022 meeting the City Council approved Resolution No. 2976 authorizing the Progressive Design Build (PDB) agreement with Tapani|Sundt, a Joint Venture in association with KPFF (Design-Builder), for engineering design, environmental permitting, and right-of-way acquisition support services for the BRCP, with provisions to negotiate a Guaranteed Maximum Price (GMP) for individual construction packages. Each GMP requires authorization by the City Council and Urban Renewal Agency through an amendment to the PDB agreement prior to proceeding with construction activities. The Council and Urban Renewal Agency authorized GMP 1 through Resolution No. 3020 and URA Resolution No. 335 on February 23, 2023.

This is the second of three GMPs expected to complete the BRCP, which in its entirety consists of the following five adjacent and interconnected high priority Capital Improvement Projects (CIP):

- Boeckman Road Sanitary Sewer – CIP #2102 – extends sanitary sewer service to the Frog Pond development areas.
- Boeckman Road Street Improvements – CIP #4205 – completes urban street design standards that will serve all transportation modes and connect neighborhoods and local schools.
- Canyon Creek/Boeckman Intersection – CIP #4206 – addresses intersection capacity needs at Canyon Creek Road.
- Boeckman Dip Bridge – CIP #4212 – improves city-wide transportation connectivity and safety concerns associated with the Boeckman “Dip” and will re-establish fish and wildlife passage through culvert removal and creek channel restoration
- Meridian Creek Culvert Replacement – CIP #7067 – replaces undersized culverts at Meridian Creek.



Given the complexities of the BRCP, the PDB project delivery approach offers several advantages over the more traditional Design-Bid-Build approach (such as collaboration between design and construction teams, schedule flexibility, cost efficiencies, scope adaptability, and reduced public impacts). For the BRCP, the GMPs represent one of the most significant advantages of the PDB approach by allowing adaptable phased construction and early material procurement, both of which will expedite the overall project duration.

The BRCP project team prepared GMP 2 to deliver timely progression of project elements and an efficient project schedule. GMP 2 includes the replacement of two 12-inch diameter undersized culverts with three 24-inch reinforced concrete pipes to provide adequate capacity to convey Meridian Creek flows under Boeckman Road just west of SW Willow Creek Drive. The project will reroute the pipes in order to divert creek flows away from the neighboring property. The

construction timing targets the 2023 “in water work window” limits (July 15 – October 15). The work will require:

- Relocating conflicting City water and Northwest Natural gas underground utilities
- A temporary bypass for Meridian Creek
- Undersized culvert removal and new culvert installation
- Traffic control
- Retaining wall construction
- Erosion control and turbidity monitoring
- DSL and Corps of Engineers permit compliance including wetland replanting
- Roadway reconstruction, and
- Engineer of Record (KPF) construction services

GMP 2 also includes:

- Demolishing the vacant house (city-owned) at 7550 Boeckman Road and decommissioning the associated existing well and septic system
- A \$615,000 allowance for purchase of bridge piles and design of girders and bridge abutment walls by the supplier in anticipation of potential long lead times and assuring availability when needed for the bridge construction, and
- Fees and costs in accordance with the PDB agreement

The schedule will benefit from having this additional work completed and allowance available while design work is completed for the Boeckman Road improvements and the bridge.

GMP 2 was prepared in accordance with the PDB agreement. The Design-Builder, City staff, and the City’s Owner’s Representative (Consort Engineers) negotiated GMP 2. An independent cost estimator (ICE) provided review of all pay items, quantities, and bid prices. In accordance with the PDB Agreement, the Design-Builder has included in their Scope of Work (attached to Resolution No. 3021) the list of trades or suppliers for which competitive pricing will be obtained and the work will be subcontracted. Included are twenty four categories where qualified subcontractors or suppliers have been selected to perform project work based on low bid. These processes demonstrate how the GMP 2 is engaging in competitive pricing in compliance with Oregon public contracting requirements and favoritism is not being encouraged through the PDB process.

**EXPECTED RESULTS:**

GMP 2 allows the Design-Builder to perform certain work recommended to most efficiently deliver the project in order to complete the BRCP by the end of 2024.

**TIMELINE:**

The current project schedule indicates the GMP 2 work will begin in mid-August 2023 and be complete in December 2023.

**CURRENT YEAR BUDGET IMPACTS:**

The budget for Fiscal Year (FY) 23/24 includes funding for owner’s representative services, engineering design, right-of-way acquisition, construction, contract administration, and overhead for the BRCP. GMP 2 includes Meridian Creek culvert replacement, Boeckman Road improvements, and advance work for the Boeckman Dip Bridge with a total not to exceed value of \$2,740,777. The source of project funds for the GMP 2 work include Stormwater Operation (Ops) and System Development Charges (SDC), Road SDC, Frog Pond Infrastructure Fee, Year 2000 Urban Renewal Agency (URA), and Road Capital Improvement Program (CIP) as summarized below:

| <b>CIP No.</b> | <b>Project Name</b>                | <b>Funding Source</b>    | <b>Project Total</b> | <b>FY 2023-2024 Budget</b> | <b>GMP #2 Amount</b> |
|----------------|------------------------------------|--------------------------|----------------------|----------------------------|----------------------|
| 2102           | Boeckman Rd Sanitary Improvements  | Sewer SDC/ Frog Pond Fee | \$1,548,726          | \$5,000                    | n/a                  |
| 4205           | Boeckman Rd Street Improvements    | Road SDC/Frog Pond Fee   | \$6,300,040          | \$4,382,795                | \$623,439            |
| 4206           | Canyon Creek/Boeckman Roundabout   | Road SDC                 | \$2,879,155          | 2,450,000                  | n/a                  |
| 4212           | Boeckman Dip Bridge                | Road CIP/Year 2000 URA   | \$21,299,526         | 16,306,532                 | \$651,535            |
| 7067           | Meridian Creek Culvert Replacement | Storm Ops/SDC            | \$471,307            | \$372,015                  | \$1,465,803          |
| <b>TOTAL</b>   |                                    |                          | <b>\$32,498,754</b>  | <b>\$23,516,342</b>        | <b>\$2,740,777</b>   |

The work associated with GMP 2 is within the authorized budgeted amounts for the BRCP with the exception of CIP No. 7067, Meridian Creek Culvert Replacement. GMP #2 reflects previously unanticipated additional scope mandated by environmental permitting requirements, site and topographic constraints for the three new larger culverts, and extreme inflation that has increased construction costs to record levels in the last two years. The larger BRCP is facing the same severe inflation issue, and the project team will be reviewing the scope and budget to develop solutions to see the project through. Staff recommends moving forward with this discrete project phase, GMP 2, and will be looking for any cost savings as construction advances.

A budget supplemental increasing the project cost by approximately \$1.1 million will be required with funding provided from additional drawdowns of the Stormwater Operating and Stormwater SDC fund balances or by relocating existing other Stormwater related project budgets. The Stormwater Operating Fund and Stormwater SDC Fund have existing budgeted contingency balance of \$1.6 million and \$4.0 respectively. Staff is working with the Finance Director on the budget supplemental, anticipated for October. This BRCP project is included in the City’s five-year capital improvement plan and will carry into the next fiscal year.

**COMMUNITY INVOLVEMENT PROCESS:**

After public vetting and adoption into master plans, the Frog Pond Master Plan, and the Urban Renewal Year 2000 Plan amendment, the BRCP design began in early 2022. BRCP public outreach

activities kicked off and now include frequent project updates to the community and opportunities to provide feedback on project priorities and concerns. The project team has sponsored several public events have been held, including the 2022 Block Party, Popsicles in the Park, two open houses at Meridian Creek Middle School, and a project survey on Let's Talk, Wilsonville!

Ongoing outreach and public participation (specifically information about the full road closure while the bridge is constructed) occurs through the project website, the monthly project e-newsletter, text alerts about travel conditions related to the project, Boones Ferry Messenger articles, and a project survey on *Let's Talk Wilsonville*. The project team continues to communicate with individual stakeholders.

Link to the project website and news updates:

<https://www.ci.wilsonville.or.us/engineering/page/boeckman-road-corridor-news-and-updates>

**POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:**

The BRCP includes roadway improvements necessary to provide safe and accessible transportation infrastructure, improving the City's local transportation network and benefitting the community. Upsizing and realigning the existing Meridian Creek culverts will alleviate potential flooding risks and property damage. The future roundabout at the Canyon Creek/Boeckman intersection will offer a safer, more efficient transportation connection along an important school access route and transition between office/industrial on the north and west to residential neighborhoods on the south and east. The future bridge will flatten the "dip", provide safer travel conditions for all users, and improve fish and wildlife habitat in the watershed. The sanitary sewer extension will serve the Frog Pond development areas.

**ALTERNATIVES:**

Resolution No. 3021 is recommended at this time to allow an efficient progression of the BRCP construction and complete the project by December 2024. If GMP 2 is not approved at this time, the Council could either delay the approval, include it in future GMPs or decide to depart from the PDB delivery approach and publicly bid the items in GMP 2. Schedule delays are expected and costs may increase for all of these alternatives. Schedule delays will extend the overall BRCP project construction timeline well in to 2025.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

1. Resolution No. 3021
  - A. Guaranteed Maximum Price Amendment #2 to the Progressive Design-Build Contract for the Meridian Creek Culvert Replacement, Boeckman Road Improvements, and Advance Work for the Boeckman Dip Bridge of the Boeckman Road Corridor Project