TO: Mayor Shaun Sipma  
Members of the City Council  
FROM: Lance Meyer, P.E., City Engineer  
DATE: August 17, 2020  
SUBJECT: 31st Ave SE Reconstruction Budget Amendment and Engineering Contract Amendment 2 (4331)

I. RECOMMENDED ACTION  
   1. Recommend the Council approve the budget amendment on 1st reading;  
   2. Recommend Council approve the contract amendment with Apex Engineering Group and authorize the Mayor to sign the amendment

II. DEPARTMENT CONTACT PERSONS  
    Lance Meyer, City Engineer 701-857-4100  
    Emily Huettl, Assistant City Engineer 701-857-4100

III. DESCRIPTION  
    A. Background  
       The 31st Avenue SE reconstruction project is underway and progressing on schedule and within budget.  
       The project has been scheduled in the City’s CIP for the last five years and is a priority project. The original engineering scope and fee was developed in the Spring of 2018 before any environmental or design work started. This is typical of our process, but staff and the engineer have to make several assumptions when scoping the project.
    
    B. Proposed Project  
       As the project has developed, several changes have occurred that are out of the original scope of work and project assumptions made. Some of the major items include:
       - A month earlier start by the contractor  
       - Multiple pipe crews working 90 hours/week instead of 60 hours/week  
       - Expanded scope of work for inspection due to selection of design alternatives
       
       A full explanation of the out of scope items are included in the attached memo from Apex Engineering. During the review of the requested contract amendment, Apex and city staff refined the scope of the requested amendment to optimize personnel needed for the remainder of the project. This resulted in a significant reduction of resources but also ensures the required oversight is in place. Staff has reviewed the request and feels the hours and fees being requested are fair and justified.

    C. Consultant Selection
Apex was selected using a qualifications based selection process.

IV. IMPACT:

A. Strategic Impact:
31st Ave is a strategic corridor for the City. It is classified as a minor arterial, which means the road is designated to carry a large volume of traffic to and from other arterials. 31st Ave is the last major roadway improvement planned in southeast Minot in developing areas.

B. Service/Delivery Impact:
The contract amendment will ensure our consulting engineers are on-site providing the required oversight and documentation needed for FHWA/NDDOT compliance.

C. Fiscal Impact:
At the end of 2018, $1.7 million was transferred out of the project account and placed in reserves. This is a governmental accounting requirement that was necessary due to the construction contract not being executed at that time.

The budget amendment will move the required funds back into the project account. By approving the budget amendment, the necessary funds will be available for construction, engineering, and a 10% contingency. After the budget amendment, funds will still remain available if other unforeseen issues arise.

The requested engineering amendment is for $237,431.00. The remainder of the attached budget amendment is the City’s construction cost share with a 10% contingency.

- **Project Costs**
  - See attached budget amendment

- **Project Funding**
  - Highway Reserves

V. ALTERNATIVES
The council has the option not to approve the engineering amendment. However, this will place the project in a potential compliance issue with FHWA/NDDOT as Apex is needed to complete the inspection and paperwork needed for compliance.

VI. TIME CONSTRAINTS
A timely approved amendment will keep the necessary project funds available for payment of expenses.

VII. LIST OF ATTACHMENTS
- A. 31st Ave SE Amendment No 2 Cover Letter
- B. Budget Amendment