



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

FROM: Gary J. Volenec, P.E., City Engineer

CC: Jim Bouquet, P.E., Director of Engineering

DATE: December 9, 2016

SUBJECT: **Caroline Street Improvements – Project Closeout**

ACTION STATEMENT

Authorize the City Manager to approve Final Change Order No. 2 for additional unforeseen conditions in the amount of \$56,311.94 and authorize necessary budget transfers to close out the Caroline Street Improvements Project.

BACKGROUND

Resolution No. 15-254 accepted the bid proposal of Charley Toppino & Sons, Inc., for Caroline Street Improvements from Elizabeth Street to Trumbo Road and a new Tour Bus Parking Lot in the total amount of \$2,990,996. This total included authorization of the City Manager to execute the contract agreement for \$2,747,296 and included an anticipated change order in the amount of \$243,700 for the new tour bus parking lot when funds become available. Under the approved authorization, the City Manager executed Change Order No. 1 for \$243,700.

The authorized Caroline Street Improvements Contract included an Unforeseen Conditions Allowance of \$250,000.00 to address construction issues that could not be estimated until excavation was underway. During construction of the project the following items were encountered which resulted in exceeding the Unforeseen Conditions Allowance authorized amount by \$56,311.94. These items included the following:

1. Subsurface conditions resulted in the need to dispose of “Unsuitable Soils” which were soft areas associated with fill material along the historic shoreline. This material was removed and replaced with suitable fill material to provide a stable subgrade to construct the new roadway.

2. Excavation along segments of the roadway uncovered soils exhibiting petroleum contamination. These “Petroleum Soils” were removed and disposed of offsite in an environmentally suitable means, as called for under the contract documents. The removed material was replaced with suitable backfill material.
3. Salvaged bricks uncovered during the excavation of the existing roadway base were cleaned, palletized and delivered to the City facility at Fleming Key

PURPOSE AND JUSTIFICATION

Addressing encountered and identified unforeseen conditions in a timely manner and in accordance with good engineering and construction practice was necessary to provide a stable and environmentally acceptable roadbed for the Caroline Street Improvements Project.

FINANCIAL ISSUES

Final Change Order No. 2 for additional Unforeseen Conditions in the amount of \$56,311.94 will be funded by Caroline Street Tax Increment Financing under Account #603-5503-555-6300 (Project CS 1101) to address the following Unforeseen Condition items:

- | | |
|------------------------|-------------|
| 1. Unsuitable Soils | \$19,948.80 |
| 2. Petroleum Soils | \$17,544.14 |
| 3. Salvage Road Bricks | \$18,819.00 |

The quantities and unit prices used to calculate these costs are consistent with the approved unit price items to support unforeseen conditions and contingency allowance as included in the signed Contract Bid Documents.

RECOMMENDATION

Engineering staff recommends authorizing the City Manager to approve Final Change Order No. 2 for additional unforeseen conditions in the amount of \$56,311.94 and authorize necessary budget transfers to close out the Caroline Street Improvements Project.