



## City Council

### Approval of Final Construction Costs for the Fire Training Phase 2 Project

**Agenda Date:** 12/11/2012  
**Agenda Item Number:** 4.D  
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**Type:** decision **Version:** 1 **Status:** Passed

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**Agenda Item:**

Approval of Final Construction Costs for the Fire Training Phase 2 Project

**Issue:**

Changes during construction resulted in higher than projected final project costs, which must be authorized by Council.

**Committee Recommendation:**

Not referred to a committee.

**City Manager's Recommendation:**

Move to authorize the City Manager to approve payment of a total final contract amount of \$1,889,035.67 (all applicable tax included) and execute all necessary documents associated with such approval and project close out.

**Staff Contact:**

Deputy Chief Greg Wright, Project Manager, 360.753.8466

**Presenter(s):**

None. Consent Calendar item.

**Background and Analysis:**

In 2011, Council authorized the City Manager to execute a contract with Jones and Roberts Construction, Inc. for Phase Two of the Fire Training Center project.

The project is complete and final costs have exceeded the 10% contingency due to unsuitable soils discovered during construction in one portion of the construction area, wiring and HVAC upgrade in 1/3 of the rehab building and other upgrades that were made to enhance the facility's usefulness and longevity. These upgrades included changes to the in ground fire pump test tank, safety railings, door and window hardware, security lighting and markings, all in an attempt to make the facility more robust for the heavy use a fire training center must be able to withstand over time.

Due to the modifications listed above, the final project cost is \$1,889,035. This is above the original contract amount of \$1,556,257 (all amounts include all applicable tax). More than sufficient funds are available in the Fire Department's construction account to cover this final project cost.

Factors contributing to the costs:

1. Unforeseen conditions discovered during the project: unsuitable soils  
Additional costs associated with unsuitable soils - \$97,000.
2. Upgrades: upgrade of wiring, HVAC, carpet, and insulation in 1/3 of the rehab building - \$127,000.
3. Changes to the in ground fire pump test tank, safety railings, door and window hardware, security lighting and markings, etc.,  
made during construction to increase training value to firefighters or increase sustainability of the training facility - \$106,000.

In order to issue final payment for this contract, Council must to authorize a final contract amount of \$1,889,035.67.

**Neighborhood/Community Interests (if known):**

None

**Options:**

1. Authorize the City Manager to approve final contract amount of \$1,889,035.67 and execute all necessary documents  
associated with such approval and project close out.

**Financial Impact:**

Increasing the spending authority to \$1,889,035.67 allows staff to issue final payment to the contractor. Because of the favorable bid climate, there are sufficient funds available to cover this budget increase without affecting the overall bond fund budget that was set aside for the new fire station, additional fire apparatus, and the fire training center complex. This bond funding is completely dedicated to the fire department project and must be spent out completely at the end of the project. Funding to cover the upgrades are within the fund and within the projects original scope to create a state of the art fire training center in and for Olympia.

**Attachments:**

None