




## **MEMORANDUM**

**To:** Kevin Tilson, Executive Director, Downtown Development Authority

**From:** David L. Corliss, Town Manager 

**Date:** March 29, 2021

**Re:** Downtown Development Authority (DDA) Special Fund Wilcox and South Street Roundabout

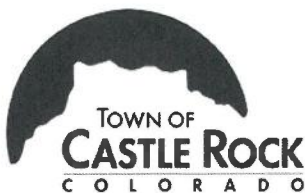
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### **Executive Summary**

At the April 6, 2021 Town Council meeting, Town Council will consider a resolution of concurrence in accepting the bid for the planned roundabout at Wilcox and South Street, and the use of DDA Special Funds for a portion of the project. Please see attached staff memorandum. Staff is recommending the use of \$750,000 in DDA special funds for this project in recognition of cost increases associated with the project for an accelerated construction schedule, closure of the road to allow for an accelerated work schedule, detour costs and other costs associated with the project. Use of the special fund is viewed as desirable in recognition of downtown sales/property tax increment paying for a portion of the project and the strong interest in relatively quicker construction schedule benefitting all of downtown. The special fund has the capacity for this funding in 2021 and will not significantly delay the repayment of special fund obligations to the Town, with Festival Park and Encore obligations paid by 2022, Riverwalk by 2023, and the proposed View project fee waiver/public parking purchase to be paid by 2025 (approximately 2 years after occupancy). Per our intergovernmental agreement, concurrence of the DDA is requested for this use of the special fund.

### **Attachments**

Staff Memorandum



## **AGENDA MEMORANDUM**

**To:** Honorable Mayor, and Members of Town Council

**Thru:** Dave Corliss, Town Manager

**From:** Brian Kelley, Engineering Manager

**Title:** A Resolution of Concurrence with the Construction Bid for The South & Wilcox Roundabout Improvement Project

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### **Executive Summary**

Staff is seeking Town Council approval of a Resolution (*Attachment A*) concurring with the lowest responsible construction bid for the South & Wilcox Roundabout Improvement Project. This concurrence fulfills a Town requirement per the Redevelopment Agreement (RDA) with CD-Festival Commons ("CDFC" i.e., Confluence). This project exemplifies the Department pursuit of maximizing the value our community receives from transportation assets. This includes: 1) high safety for vehicles, pedestrians and cyclists, 2) low downtime due to high operational efficiencies throughout the full day for all travel modes, 3) low environmental impacts with reduced noise as a result of less frequent vehicle stops, and decreased vehicle emissions associated with these reduced stops, and 4) Improved reliability with no mechanical equipment needs. A roundabout at this intersection is a recommended action in the approved Downtown Mobility Master Plan.

Construction is anticipated to begin April 15, 2021 and be completed by June 14, 2021. This includes an accelerated option at an additional cost of \$167,422. This accelerated option involves multiple daily work shifts during the weekdays, inclusive of nighttime work. Confluence is holding the contractor to the reduced schedule by way of liquidated damages in the amount of \$5,000 daily for exceeding the 60 days, notwithstanding legitimate weather, or unforeseen condition delays. The total amount of the requested project budget is \$2,063,857 plus a 10% staff managed contingency in the amount of \$206,385 for a total authorization of \$2,270,243. While this is higher than the existing \$1.85 Million budget, this difference can be accommodated with the \$750,000 from the Downtown Development Authority (DDA) Special Fund. The primary difference between the received bid and the available budget is: 1) Inflationary costs since the budget was developed in 2018, and 2) additional scope of work associated with the detour route.

### **Notification and Outreach Efforts**

A concentrated effort to minimize potential construction impacts to adjacent businesses has been made for this project, especially at a time when increased strain due to the declared pandemic response is continuing to impact the Castle Rock business community. The project team has

performed outreach efforts to inform and collect feedback from businesses in proximity of the intersection. These efforts include; sharing project information, door-to-door informative sessions, and collecting project feedback. Town staff has received positive feedback from adjacent stakeholders. Additionally, the project takes special considerations to minimize project impacts including:

- Project phasing to maintain pedestrian and traffic access to downtown businesses
- Partnering with the Encore developer to provide additional parking in the new downtown parking structure in time for impacted businesses, employees and clientele
- Signage around the perimeter of the intersection closure to provide messaging that the businesses in and around the closure area are still open

Staff and Confluence's project team will continue to engage the surrounding property owners throughout the duration of the project to strive to minimize disruptions.

### **History of Past Town Council, Boards & Commissions, or Other Discussions**

On the August 20, 2019 Town Council Meeting, Ordinance 2019-021, the Encore CR Downtown Redevelopment and Financing Agreement, was approved on First Reading by a vote of 6-1.

On the September 3, 2019 Town Council Meeting, Ordinance 2019-021, the Encore CR Downtown Redevelopment and Financing Agreement, was approved on the Second and Final Reading by a vote of 6-1.

The lowest responsible bid will be formally requested for Public Works Commission (PWC) recommendation on 4/5/21. The recommendation received by PWC will be presented at the Town Council meeting.

### **Discussion**

The Town Council approved the Encore CR Downtown Redevelopment and Financing Agreement ("RDA") on September 3, 2019. The RDA provided for the roundabout project as part of the required public improvements at the intersection of South and Wilcox Streets (*Attachment B*). This public improvement is in line with the approved Downtown Mobility Master Plan. Per the RDA, the design and construction is to be executed by Confluence, and the cost is to be borne entirely by the Town.

CDFC has competitively advertised, per the RDA, a construction contract for the project. The project budget and bids resulting from the contract advertisement are illustrated below on Table 1. Staff compared the bid with current bid estimates for similar Town projects and recommends Elite Surface Infrastructure (ESI) be awarded the construction contract as they are the low-bidder for the contract and have been vetted as a reputable contractor.

The project costs exceed the available budget of \$1,850,000 that was set aside in 2019. However, it is reasonable to assume inflation costs for the past two years on par with typical increases for construction projects in the range of 3 to 5%. Using a 4% average annual increase puts the budget at \$2,000,960 which is consistent with the low bid costs shown in Table 1. Also, some

cost increases are due to additional scope of work associated with the detour route and providing for the accelerated schedule option.

TABLE 1: Bid Result & Schedule Cost	
Budget (from 2019)	\$ 1,850,000
Engineer's Opinion of Probable Costs	\$ 1,857,815
Costs with Low Bidder	\$ 1,896,435
Cost to Accelerate Schedule	\$ 167,422
Total Cost with 60-day Schedule	\$ 2,063,857

### *Construction Scope*

The work that will be completed as a part of the “South & Wilcox Roundabout Improvements” project includes:

- Pavement Replacement (Asphalt and Concrete)
- Roundabout Operational Improvements
- Drainage Improvements
- ADA and Access Improvements
- Hardscape Improvements
- Traffic Signage and Markings Improvements
- Water, Electric and Fiber Optic Utilities Relocations
- Connection of Phelps Drive to Perry Street

### *Anticipated Construction Timeframes*

Construction is anticipated to begin April 15, 2021 and be completed by June 14, 2021. This includes an accelerated option at an additional cost of \$167,422. Accelerating the project will reduce the schedule to 60 days. This involves multiple daily work shifts during the weekdays, inclusive of nighttime work. Accelerating the schedule would allow the project to be completed in June as opposed to the beginning of August. The accelerated schedule is helpful to local businesses and downtown events as summer approaches. Confluence is holding the contractor to the reduced schedule by way of liquidated damages in the amount of \$5,000 daily for exceeding the 60-day window, notwithstanding legitimate weather delays.

### **Budget Impact**

The total estimated cost, with accelerated construction fees, for a construction purchase order is \$2,270,243 as shown in Table 2 below. This allows for a Town managed 10% contingency. While this is higher than the existing \$1.85 Million budget, this difference can be accommodated with the \$750,000 available from the DDA Special Fund, account number 126-6400-464.79-10.

As this project has been planned and approved with the approval of the “2021 Operating and Capital Improvement Budget” in account number 135-3175-431.79-10, the funds from the DDA Special Fund will be transferred into this single funding account as follows:

TABLE 2: FUNDING ACCOUNT ASSIGNMENTS				
Account Number	Account Name	Contract Amount	Contingency	Total
135-3175-431.79-10	South & Wilcox Roundabout Improvements	\$ 2,063,857	\$ 206,385	\$ 2,270,243

### **Staff Recommendation**

Staff recommends Town Council approve the resolution as introduced by title. The Public Works Commission recommendation will be provided at the Town Council meeting.

### **Proposed Motion**

*"I move that Town Council approve the Resolution as Introduced by title."*

### **Attachments**

Attachment A: Resolution

Attachment B: Project Location