



## CITY COUNCIL Staff Report

Meeting Date: 10/23/2024

To: The Honorable Mayor Hodson & City Council  
Thru: Eileen Stein, City Administrator  
From: Jerry Nelzen, Public Works Director  
Agenda Item: Consider Ordinance No. 1632: An Ordinance Authorizing the City Administrator to Amend the Personal Services Contract with Curran-McLeod, Inc. Consulting Engineers for Design and Construction Phase Engineering Services for the Extension of Walnut Street to Highway 99E (*Second Reading*)  
Goal: Plan a Transportation System the Eases the Impacts of Growth  
Objective: N/A

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### **Summary**

The City is currently completing plans and specifications to construct a new signalized intersection with Highway 99E and extension of Walnut Street from the highway to SE 1<sup>st</sup> Avenue. The design work began in June of 2022 and the scope of work has been modified several times to address new requirements from ODOT and Canby Utility. This amendment is to increase the engineering design budget by \$164,000 to cover the additional design and construction phase efforts.

### **Background**

The City of Canby solicited proposals for engineering services for the design and construction of SE Walnut Street in early 2022. Curran-McLeod, Inc., with DKS Associates as a subconsultant, was selected to provide the engineering services. A personal services agreement was executed on June 7, 2022.

After completion of the preliminary design, ODOT required a scope modification to expand the highway to provide a dedicated right turn lane and expand Walnut Street to provide dual left turn lanes. ODOT has also required intersection improvements include a through route for a joint use bike and pedestrian path.

Following completion of the preliminary design, Canby Utility required the City to increase the waterline to 18" diameter and extend it across Highway 99E to connect to Teakwood Circle.

Work has continued on this project for more than two years which has impacted the engineering services budgets.

### **Attachments**

- Ordinance No. 1632
- Correspondence from Curran-McLeod re Walnut Street Design Issues
- Walnut Street Engineer Amendment Narrative
- Preliminary Cost Estimate March 2024

**Fiscal Impact**

This amendment to the engineering contract will increase the engineering budget to a total of \$765,000 or 10.9% of the construction cost estimate. The total project costs were estimated at \$9.4 million in March of 2024 and budgeted to begin construction in Fiscal Year 24-25.

**Options**

1. Adopt Amendment No. 1 to the Personal Services Agreement with Curran-McLeod, Inc., or
2. Deny or modify the budget amendment and work with ODOT and Canby Utility to modify or eliminate the project scope modifications.

**Recommendation**

It is recommended that City Council approve Amendment No. 1 as presented.

**Proposed Motion**

“I move to adopt Ordinance 1632, Authorizing the City Administrator to Amend the Personal Services Agreement with Curran-McLeod, Inc. Consulting Engineers, in the amount of \$164,000, for Design and Construction Phase Engineering Services for the Extension of Walnut Street to Highway 99E.”

**ORDINANCE NO. 1632**

**AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE PERSONAL SERVICES AGREEMENT WITH CURRAN-MCLEOD, INC. CONSULTING ENGINEERS FOR DESIGN AND CONSTRUCTION PHASE ENGINEERING SERVICES FOR THE EXTENSION OF WALNUT STREET TO HIGHWAY 99E**

**WHEREAS**, The City of Canby on February 10, 2022, published a formal Request for Qualifications (RFQ) for professional services to complete the S. Walnut Street Extension to Highway 99E;

**WHEREAS**, a City review committee reviewed the qualifications submitted and recommended award of the engineering contract to Curran-McLeod, Inc., Consulting Engineers, and executed a personal services agreement on June 7, 2022; and

**WHEREAS**, Curran-McLeod, Inc. has expanded the scope of work to address additional ODOT and Canby Utility requirements as documents in the correspondence dated September 10, 2024.

**NOW THEREFORE, THE CITY OF CANBY ORDAINS AS FOLLOWS:**

Section 1. The City Administrator is hereby authorized and directed to make, execute, and declare in the name of the CITY OF CANBY and on its behalf, an amendment to the personal services agreement to increase the engineering services budget in an amount not to exceed \$164,000 to establish the total engineering budget at \$765,000 for preliminary design, design, and construction phase services for the extension of S Walnut Street to Highway 99E.

**SUBMITTED** to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, October 2, 2024; ordered posted as required by the Canby City Charter and scheduled for second reading on Wednesday, October 23, 2024, after the hour of 7:00 pm at the Council Chambers at the Canby City Hall, 222 NE 2<sup>nd</sup> Avenue, Canby, Oregon.

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Maya Benham, CMC  
City Recorder

**PASSED** on second and final reading by the Canby City Council at a regular meeting thereof on the 23<sup>rd</sup> day of October, 2024, by the following vote:

YEAS \_\_\_\_\_

NAYS \_\_\_\_\_

\_\_\_\_\_  
Brian Hodson  
Mayor

ATTEST:

\_\_\_\_\_  
Maya Benham, CMC  
City Recorder

September 10, 2024

CURRAN-McLEOD, INC.  
CONSULTING ENGINEERS

6655 S.W. HAMPTON STREET, SUITE 210  
PORTLAND, OREGON 97223

Mr. Dave Conner, Public Project Coordinator  
Mr. Jerry Nelzen, Public Works Director  
City of Canby  
222 NE 2<sup>nd</sup> Avenue  
Canby, OR 97013

**RE: CITY OF CANBY  
WALNUT STREET EXTENSION AND  
HIGHWAY 99E SIGNALIZATION**

Dear Jerry & Dave:

As we have discussed, we have expended the majority of our engineering budgets for the preliminary and design phase work on the Walnut Street connection from Highway 99E to SE 1<sup>st</sup> Avenue. To date we are still well below our contract amount of \$601,000, however, we do not have sufficient budgets to cover our expenses for the modified designs through the remaining design and construction phases of the work. With this letter we are requesting an increase in the engineering budget.

We have submitted the preliminary plan set to ODOT and have responded to multiple requests for changes. A new plan set is anticipated to be submitted to ODOT in the next week. We anticipate the ODOT approval will be secured in the next two months and then the project advertised for bids by the end of the year, for construction to begin in the spring of 2025.

We have also prepared a preliminary set of plans for the City's improvements to Walnut Street from the Highway to SE 1<sup>st</sup> Avenue, which will be bid separately to keep the ODOT work isolated from the City's project. The City's work requires approval of a change in scope, as discussed below prior to finalizing the plans. Also note we anticipate soliciting independent bids for the sewer and water highway crossings, separate from the Walnut work scope.

We are requesting an increase in our Walnut Street engineering budget to account for the additional efforts expended to address changes in our work scope. The original project scope was presented to the City in May of 2022 has had several scope changes that have impacted our efforts. After the preliminary design was complete, additional tasks were mandated that included:

1. ODOT required preparation of a traffic circle conceptual design before approving the signalized intersection. This new geometric design for the circle was submitted to ODOT in January 2024, and ODOT subsequently rejected the idea and approved the use of a traffic signal on January 18, 2024.
2. ODOT required a dedicated right-turn lane be added to the northbound highway travel lanes, which required acquiring additional right-of-way from the adjacent Lyons property.

Mr. Dave Conner  
Mr. Jerry Nelzen  
September 10, 2024  
Page 2

ODOT also mandated Walnut Street have dual left turn lanes approaching the highway, which mandated redesign of the street approaching the Highway and the ADA sidewalk improvements. Revised Walnut Street plans were completed on March 25<sup>th</sup> to include a dedicated right turn lane on the highway, and dual left turn lanes on Walnut Street approaching the highway.

- 3. The water system work scope in our contract was initially to install 2,600 feet of 12” PVC waterline the full length of the new Walnut Street. Canby Utility has modified that to require an 18” line in Walnut Street and an additional 600 feet of 8” PVC bore to cross the highway and railroad, and loop into Teakwood Circle. This will require securing new highway and railroad permits and securing an easement from the property owner north of the railroad. We are requesting the City’s approval of this additional work before we solicit bids for the highway utility crossings.
- 4. Most recently, ODOT has required the design include a 10 to 12-foot shared use bike and pedestrian path separated from the future highway curblin by a planter strip, and extending through the curb returns at the Walnut Street intersection. We are currently preparing this modification, which requires redesigning the curb returns, relocating the pedestrian push buttons and potentially requiring relocation of the signal pole and securing additional right-of-way from the restaurant property owner.
- 5. In an overview, the time delays have also been a substantial drain on our resources. Our office began work on this project in June 2022, over two years ago, with a budget that anticipated construction would be completed in 2023. Multiple delays and modified requirements have required substantial additional efforts. Construction is now anticipated to not begin until early 2025.

The most recent cost estimate sent to the City was prepared in March 2024, totaling \$9.4 million. This cost is anticipated to continue to increase until the construction contract is executed. A summary of our estimate is listed below:

ODOT Highway Improvements	\$2,175,700
Walnut Street Improvements	<u>4,854,600</u>
TOTAL CONSTRUCTION	\$7,030,300
Canby Utility Power Supply	\$ 250,000
Engineering & Contingency (30%)	<u>2,119,700</u>
TOTAL PROJECT COST	<u>\$9,400,000</u>

Mr. Dave Conner  
Mr. Jerry Nelzen  
September 10, 2024  
Page 3

Our existing engineering budget totals \$601,000 which is approximately 8.5% of the construction cost. To cover our expenses, we are asking that the project budget be increased by \$164,000 to a total of \$765,000, which is then approximately 10.9% of the estimated construction cost. This restores our budget to complete design and administer the construction.

Our firm has always worked to keep engineering costs low. On this project we have expended a substantial amount of time and efforts over the past two years and appreciate your consideration to increase our budgets to permit completion of the work.

Our personal services agreement was executed in June of 2022. Attached is an amendment to our Personal Services Agreement for your approval. Please let me know if you have questions or concerns.

Very truly yours,

**CURRAN-McLEOD, INC.**

  
Curt J. McLeod, P.E.

Enclosure: Amendment No. 1 to the Personal Services Agreement  
March 2024 Project Cost Estimate

**ODOT RIGHT-OF-WAY: 99E & WALNUT INTERSECTION**

Three-way Signalized Intersection, Additional NB Right Turn Lane & Bike Lane  
 8" water Highway & Railroad Crossing, 8" Sanitary Sewer Highway & Railroad crossing  
 Preliminary Estimate March 2024

	<i>Quantity</i>	<i>Units</i>	<i>Unit Price</i>	<i>TOTAL</i>
<b>SITWORK:</b>				
Mobilization	All	LS	\$ 100,000.00	\$ 100,000.00
Traffic Control	All	LS	\$ 100,000.00	\$ 100,000.00
Erosion Control	All	LS	\$ 5,000.00	\$ 5,000.00
Site Restoration	All	LS	\$ 30,000.00	\$ 30,000.00
Common Excavation	1,500	CY	\$ 40.00	\$ 60,000.00
Sawcut	600	LF	\$ 5.00	\$ 3,000.00
			<b>Subtotal</b>	<b>\$ 298,000.00</b>
<b>AC SURFACING:</b>				
1/2" Dense Mix AC (9")	710	Tons	\$ 150.00	\$ 106,500.00
Crushed Rock (12")	1,400	SY	\$ 30.00	\$ 42,000.00
2" Grind & Inlay AC (2")	170	Tons	\$ 180.00	\$ 30,600.00
Geotextile Fabric	1,400	SY	\$ 15.00	\$ 21,000.00
			<b>Subtotal</b>	<b>\$ 200,100.00</b>
<b>SIGNAL/TRAFFIC:</b>				
Traffic Signal, Signing, & Striping	1	EA	\$ 700,000.00	\$ 700,000.00
			<b>Subtotal</b>	<b>\$ 700,000.00</b>
<b>PUBLIC UTILITIES:</b>				
8" Sanitary Line	440	LF	\$ 140.00	\$ 61,600.00
Standard Manhole	6	EA	\$ 10,000.00	\$ 60,000.00
12" Storm Culvert	500	LF	\$ 100.00	\$ 50,000.00
Ditch Inlet	1	EA	\$ 5,000.00	\$ 5,000.00
Rip Rap Outfall	1	EA	\$ 1,000.00	\$ 1,000.00
Sanitary Highway & RR Bore	500	LF	\$ 800.00	\$ 400,000.00
8" Water Highway & RR Bore	500	LF	\$ 800.00	\$ 400,000.00
			<b>Subtotal</b>	<b>\$ 977,600.00</b>
			<b>ODOT Construction Total</b>	<b>\$ 2,175,700.00</b>

**CITY OF CANBY RIGHT-OF-WAY: WALNUT ST**

60' curb with Dual Left Turn Lanes at 99E, 50' curb to curb to SE 1st Avenue,  
 18" DI Waterline, 8" Sanitary Sewer, Stormwater Collection & Disposal, Lighting & Power Distribution  
 Preliminary Estimate March 2024

	<i>Quantity</i>	<i>Units</i>	<i>Unit Price</i>	<i>TOTAL</i>
<b>Street Construction</b>				
Mobilization	All	LS	\$ 150,000.00	\$ 150,000.00
Traffic Control	All	LS	\$ 20,000.00	\$ 20,000.00
Erosion Control	All	LS	\$ 40,000.00	\$ 40,000.00
Site Restoration	All	LS	\$ 50,000.00	\$ 50,000.00
Common Excavation	12,400	CY	\$ 30.00	\$ 372,000.00
Embankment	6,000	CY	\$ 30.00	\$ 180,000.00



Sawcut	400	LF	\$ 5.00	\$ 2,000.00
Berm Grading	800	CY	\$ 40.00	\$ 32,000.00
			<b>Subtotal</b>	<b>\$ 846,000.00</b>
<b>AC &amp; CONCRETE SURFACING:</b>				
1/2" Dense Mix AC (5")	5,000	Tons	\$ 140.00	\$ 700,000.00
Crushed Rock (22")	18,000	SY	\$ 30.00	\$ 540,000.00
4" Sidewalk & 2" Leveling Rock	1,200	SY	\$ 100.00	\$ 120,000.00
ADA Truncated Domes	4	EA	\$ 1,000.00	\$ 4,000.00
Curb & Gutter	5,600	LF	\$ 40.00	\$ 224,000.00
Concrete Driveways	150	SY	\$ 150.00	\$ 22,500.00
Private 3" Asphalt Driveway/Parking	400	Tons	\$ 120.00	\$ 48,000.00
			<b>Subtotal</b>	<b>\$ 1,658,500.00</b>
<b>STORM DRAINAGE:</b>				
Catch Basin	12	EA	\$ 5,000.00	\$ 60,000.00
Drywell	3	EA	\$ 20,000.00	\$ 60,000.00
12" Storm Line w/select bfl	1,500	LF	\$ 120.00	\$ 180,000.00
18" Storm Line w/native bfl	1,000	LF	\$ 150.00	\$ 150,000.00
48" Manhole	9	EA	\$ 10,000.00	\$ 90,000.00
48" Sedimentation Manhole	3	EA	\$ 15,000.00	\$ 45,000.00
Surface Outfall	1	EA	\$ 5,000.00	\$ 5,000.00
			<b>Subtotal</b>	<b>\$ 590,000.00</b>
<b>SANITARY SEWER:</b>				
48" Manhole	12	EA	\$ 10,000.00	\$ 120,000.00
8" PVC 3034 w/select bfl	2,700	LF	\$ 140.00	\$ 378,000.00
			<b>Subtotal</b>	<b>\$ 498,000.00</b>
<b>DI WATERLINE:</b>				
18" DI Water w/select bfl	2,700	LF	\$ 320.00	\$ 864,000.00
Stubs for Future Development	3	EA	\$ 5,000.00	\$ 15,000.00
Fire Hydrants	8	EA	\$ 7,500.00	\$ 60,000.00
Misc Fittings	20	EA	\$ 1,000.00	\$ 20,000.00
Valves	6	EA	\$ 12,000.00	\$ 72,000.00
			<b>Subtotal</b>	<b>\$ 1,031,000.00</b>
<b>POWER, LIGHTING, COMMUNICATIONS:</b>				
Street Lights	18	EA	\$ 2,500.00	\$ 45,000.00
2" PVC Sch 40 Conduit	3,500	LF	\$ 25.00	\$ 87,500.00
Junction Boxes	18	EA	\$ 200.00	\$ 3,600.00
Power & Communication Trenching	3,500	LF	\$ 25.00	\$ 87,500.00
Utility Vaults	5	EA	\$ 1,500.00	\$ 7,500.00
			<b>Subtotal</b>	<b>\$ 231,100.00</b>
			Canby Total	\$ 4,854,600.00
			ODOT Total	\$ 2,175,700.00
			<b>Subtotal</b>	<b>\$ 7,030,300.00</b>
			Engr & Contingency (30%)	\$ 2,119,700.00
			Canby Utility Power	\$ 250,000.00
			<b>TOTAL PROJECT COST (exc. land)</b>	<b>\$ 9,400,000.00</b>