



# MEMORANDUM

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March 31, 2011

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator  
David Parker, P.E., City Engineer  
Eric Gardner, P.E., Director of Engineering  
Paul Holzen, P.E., Engineering Supervisor  
Jonathan Marston, P.E., Staff Engineer II

SUBJECT: McEwen Drive Phase 3 Project Contingency Request  
COF Contract No. 2011-0003

## **Purpose**

The purpose of this memorandum is to request approval from the Board of Mayor and Aldermen (BOMA) of a Project Contingency for the McEwen Drive Phase 3 Project

## **Background**

The BOMA approved the construction contract with The Parkes Companies, Inc., for the McEwen Drive Phase 3 Roadway Project on 01/13/2011 in the amount of \$7,199,484.05. This contract amount does NOT include a contingency line item, which is standard practice on most City of Franklin construction contracts. Typically, contingency line item(s) are included for project emergencies, unforeseen site conditions, field engineering, etc. However, because this particular project includes Tennessee Department of Transportation (TDOT) funding and oversight, contingency line items were disallowed in the bid. Staff is requesting a Project Contingency of \$100,000 (1.4% of Construction Contract) to cover minor overruns and field changes. To clarify, this Project Contingency is NOT a direct addition to the construction contract. It would be used to cover minor overruns by the contractor OR field changes by the design consultant or construction engineering inspection (CEI) consultant. All use of this contingency fund would be reported to the BOMA. Also, this does NOT replace standard change orders for major project changes.

## **Financial Impact**

A Project Contingency of \$100,000 will need to be established for the McEwen Drive Phase 3 Project.

## **Recommendation**

Approval of the McEwen Drive Phase 3 Project Contingency Request in the amount of \$100,000 is recommended.