

**INTERNAL MEMORANDUM**

**Date:** February 24, 2022  
**To:** SBURA Board  
**From:** Jim Tevlin  
**Subject:** Public Works Update

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The following is a brief update on Public Works activities in the South Billings Boulevard Urban Renewal District as of February 28, 2021.

**Unimproved Roads**

- Sanderson Stewart has essentially completed their planning and design work.
- The current year budget for design and construction for unimproved roads is \$655,158 and \$3,275,790, respectively for Vaughn Lane, Hillview Lane, Stephens Lane (the portion adjacent to the southwest corner of Optimist Park), Mitchell Ave, Morgan Ave, and Ryan Ave.

During February, Public Works informed me that current construction costs, driven by higher concrete and labor costs, would likely be much greater than the amount budgeted. Given the above construction budget, Public Works believed that all the unimproved roads, except for Morgan and Ryan Avenues, could be improved for approximately \$3.3 million. Accordingly, Public Works issued bids to improve these roads. Morgan and Ryan Avenues would be addressed in future capital improvement plans. Note that Sanderson Stewart’s design work included Morgan and Ryan Avenues so only construction costs would need to be considered.

- Knife River was the low bid contractor at \$3,328,242. Note the following:

Total CIP budget	\$3,930,948
Less: Knife River bid	3,328,242
Sanderson Stewart (encumbered)	<u>637,100</u>
Shortfall	(\$34,394)

The above shortfall may require a budget amendment.