TO: Mayor via City Secretary REQ	REQUEST FOR COUNCIL ACTION	Z	
<b>SUBJECT:</b> Funds to cover Salary Recovery Costs for Projects in the Capital Improvement Plan. WBS No. N-320396-0029-6	Costs for Projects in the 36-0029-6	Page 1 of <u>1</u>	Agenda Item #
From: (Department or other point of origin):	): Origination Date		Agenda Date
Department of Public Works and Engineering			
Director's Signature:  Dale A. Rudick, P.E.	Council District affected: $ ho$	ected:	
For additional information contact:  Ravi Kaleyatodi, P.E., CPM Phone: (832) 395-2326 Senior Assistant Director	Date and identification of prior action: 5-2326	tion of prior	authorizing Council
Recommendation: (Summary)			
Approve an Ordinance appropriating funds for Salary Recovery Costs for the construction projects in the Capital Improvement Plan.	Salary Recovery Costs for the	construction	າ projects in the Capital
Amount and Source of Funding: \$1,850,000.00 -	0.00 - Fund No. 4040A METR	Construction	Fund No. 4040A METRO Construction - Other
approved appropriating \$1,850,000.00 to cover the Salary Recovery Costs for construction projects for Fund No. 4040A Metro Construction – Other. This funding category includes Safe Sidewalk, Bikeway, Street Improvement, Intersection Improvement and Traffic Signal Improvement projects.	of Public Works and Enginee of Public Works and Enginee or the Salary Recovery Costs ing category includes Safe Siprovement projects.	ring is réque for construc dewalk, Bike	sting that an ordinance be tion projects for Fund No. way, Street Improvement,
Historically, salary recovery costs were based on 15% of design appropriations and 7% of construction appropriations for all projects, regardless of size. Recent experience has led Public Works and Engineering to recognize that project management for smaller work order assignments is significantly higher than for larger, traditional CIP projects. The number of smaller work order projects has increased over the past several years due to increased emphasis on rehabilitation of infrastructure such as Pedestrian Accessible Review (PAR) sidewalk	based on 15% of design apof size. Recent experience has maller work order assignments aller work order projects has increastructure such as Pedestric	oropriations led Public Versions significant eased over the Accessible of the Public P	on 15% of design appropriations and 7% of construction Recent experience has led Public Works and Engineering to ork order assignments is significantly higher than for larger, ork order projects has increased over the past several years due ucture such as Pedestrian Accessible Review (PAR) sidewalk
projects and Council District Service Fund sidewalk projects. These changes resulted in more salary recovery costs than planned for this fund from FY2014 to FY2016. The increase in cost assisted in designing approximately 35 miles of sidewalk and constructing approximately 27 miles of sidewalk.	dewalk projects. These char o FY2016. The increase in co nately 27 miles of sidewalk.	ges resulted st assisted ii	in more salary recovery n designing approximately
In order to cover total salary recovery costs, based on current and projected exappropriation of funds is required. The requested appropriation will reimburse the Fund cost of project management services provided by architects, engineers, project managers	ts, based on current and projected sted appropriation will reimburse the F by architects, engineers, project manag	rojected ex se the Fund ct managers	expenditures, an additional und No. 4040A for the actual lers and administrators.
Beginning in Fiscal Year 2017, salary recovery appropriations will be adjusted to 20% of design appropriations and 15% of construction appropriations for work order projects only.  DAR:CEH:RK:MS:CH	appropriations will be adjuste ler projects only.	d to 20% of	design appropriations and
LTS No. 16092			CUIC ID # 20CH30R
Finance Department: Other Authorization:		Other Authorization:  Care Ellinger Haddock, P.E.  Interim Deputy Director  Engineering and Construction	dock, P.E., ector ector Division