



MEMORANDUM
Department of Public Works

TO: A. Jerome Fletcher II, ICMA-CM, MPA, City Manager

THROUGH: Jason Yarborough, ICMA – CM, Deputy City Manager

THROUGH: Kimberly Williams, Finance Director

FROM: Chuck Speake, Director of Public Works

SUBJECT: Price Boulevard Widening Project (R15PW1)

DATE: January 28, 2025

On January 28, 2020, the City Commission, acting as the Governing Body of the Road and Drainage District directed staff to complete the final stages of the design work for the Price Boulevard Widening project.

The City contracted Consor Engineers (previously known as American Consulting Engineers of Florida, LLC.) to design Price Boulevard Widening roadway components, and Weiler Engineering was subcontracted to provide the engineering and cost estimating services for the utilities components. 100% plans were received in May 2020, however funding for the project had not been identified at that time. Following several unsuccessful attempts for grant funding, on May 24, 2022 the City Commission approved Ordinance No. 2022-12 calling for the following referendum question to be placed on the November 8, 2022 General Election ballot:

To finance the Price Boulevard widening project, shall the City of North Port be authorized to issue bonds in one or more series payable from one-cent sales tax proceeds in a total aggregate principal amount not to exceed eighty million dollars, maturing by December 31, 2039, bearing interest not exceeding the maximum lawful rate? Bonds are dependent on approval of one-cent sales tax renewal above.

On September 28, 2022, Hurricane Ian made landfall as a powerful category 5 storm causing significant damage throughout the City and specifically disabled Price Boulevard at the four waterway crossings.

On November 8, 2022, the referendum question was successful, indicating that the City would be able to secure funding to complete the Price Boulevard Widening project. At that time, the Department of Public Works began the process to amend the Consor Engineers agreement to support redesign of the four waterway crossings following lessons learned from Hurricane Ian.

Final plans for the Price Boulevard Widening project include essential improvements to approximately 2.8 miles of this critical roadway. The new road section will have two lanes in each direction and a continuous bi-directional turn lane down the center, 10-foot-wide concrete multi-use paths will be provided on both sides, and the roadside swales will be replaced with a closed curb and gutter drainage system. The project also includes improvements to the Utilities system within the project footprint.

Prior to advertising the bid, the engineer on record provided an estimate of \$74,944,376.47 for the project including utilities components.

RFB 2024-28 for the Price Boulevard Widening was developed with bid alternatives to allow analysis of cost for the full project with the following options:

- Stamped concrete center turn lane.
- Stamped asphalt center turn lane.
- Standard asphalt pavement center turn lane.
- An option to install a walkway to temporary mailboxes.
- An option to expedite utilities work.

RFB 2024-28 was advertised on September 3, 2024, with an initial due date of November 5, 2024, however this deadline was extended to December 4, 2024, to allow additional time for contractors to complete bid documentation due to Hurricanes Helene and Milton.

On October 23, 2024, the City closed on bonds for the Price Boulevard Widening project. The City's Aa2 bond rating and low debt position generated significant interest in this competitive financing opportunity. The Finance Department secured an excellent rate for the residents of North Port through this process. The bonds were competitively awarded to Jefferies, LLC, which submitted the lowest bid, achieving a True Interest Cost (TIC) of 3.306908%. While the referendum authorized borrowing up to \$80M, the bonds were issued at \$53.835M based on the available surtax revenues required for repayment. The bonds were issued at a premium, which provided \$55M in funding for the estimated \$75M project. The additional \$20M was identified through grant funding, remaining project budget and reprioritizing other Public Works and Utilities projects.

While representatives from over a dozen companies attended the mandatory pre-bid meeting for the widening project, the City only received one bid on December 4, 2024. This solo bid received was from Watson Civil. The lowest possible project cost from this bid requires installation of the standard asphalt center lane option and removes bid alternatives to install walkways to mailboxes and to expedite utilities work. With these options the bid comes to \$81,731,865.73, which is \$6,787,488.26 over the engineer's estimate for the full project, without including projected contingency expenses. The City received information from other contractors that high demand for contractor services following the impacts of Hurricanes Helene and Milton curtailed their ability to allocate construction resources for the Price Widening project.

Following the City's Purchasing policies, the City engaged in conversations with representatives from Watson Civil to discuss the bid received and identify cost reduction opportunities. Watson Civil provided a revised bid on January 22, 2025 of \$79,283,010.35. Utilizing a Florida Department of Transportation (FDOT) standard of 5% for contingency, the revised project total is \$83,247,160.87. CIP R15W1 - Price Boulevard Widening's current available funding, including bond funds and \$1.5M grant from FDOT is \$66,144,208.68, leaving a funding gap of \$17,102,952.19.

Department of Public Works staff and Utilities staff have identified funding within other projects to move into the Price Boulevard Widening project to fully fund this undertaking in the current year.

Utilities proposes moving \$7,754,005.10 from Surtax funds currently budgeted to CIP U19NEP - Utilities Neighborhood Water/Wastewater Expansion project. Reducing funds within this project will delay sewer and water services to the Blue Ridge Salford North phase 1 area. The project was scheduled to be constructed in 2026/2027. It will be delayed until funds are in place to start construction.

The Department of Public Works proposes moving the following funds to support this project:

Amount	Source	Impact	Funding		
			District Funds (107)	Transportation Impact Fees (153)	Surtax (306)
\$1,644,604.00	Sidewalk and pedestrian bridge and walkway projects, including the from the Ponce De Leon multi-use path project.	The Price Widening project scope includes sidewalks and water crossings which align with these sidewalk and bridge projects. Ponce De Leon project will be on hold until funding is identified.	\$518,616.00		\$1,125,988.00
\$1,671,812.00	I-75 Interchange temporary signals.	Project will remain fully funded after this amount is removed.		\$1,671,812.00	
\$1,420,000.00	Construction of Water Control Structures FW 157 and FW 158.	These projects will remain funded for design and staff will seek grant funding for construction.	\$1,420,000.00		
\$3,029,997.10	Construction of Water Control Structure 114.	Staff will seek grant funding for construction.	\$1,000,001.10		\$2,029,996.00
\$1,500,000.00	Public Works Phase II	The project will continue through design work. Construction will be on hold until funds are identified.	\$1,500,000.00		

Previously, the City was awarded a \$1.5M grant from FDOT to be allocated toward the construction of the waterway crossings, however the associated grant requirements restrict proceeding in a single bid scenario. Staff is working with FDOT on the opportunity to transfer this grant funding to the CEI portion of this project. If approved, the funding moved from Public Works Phase II will be returned to that project. In addition, the Environmental Fund will provide \$1,590,000 to complete the landscaping portion of the project.

The Department of Public Works is coordinating next steps of the bid process with the Purchasing Division and budget transfers from the above listed projects with the Finance Department. The proposed agreement is being routed to the City Attorney's Office for review and staff is working to meet deadlines to include this item for Commission consideration at the March 18, 2025 Regular Commission Meeting.

The contractor has acknowledged that, if the agreement is approved at the March 18, 2025 meeting, they will be able to mobilize by early April 2025 to begin work. This project is expected to last approximately three years.