

**CITY COUNCIL REGULAR SESSION**

Motion to award Bid No. 20038, 124<sup>th</sup> Avenue NE Improvement project, Seattle City Light (SCL) Transmission Tower Replacements (CIP Plan No. PW-R-191) to Potelco, Inc as the lowest responsible and responsive bidder, in the amount of \$1,636,762, plus all applicable taxes.

Andrew Singelakis, Director, 452-6864  
Ron Kessack, Assistant Director, 452-4631  
Mike Mattar, Design Division Manager, 452-4318  
Marina Arakelyan, Senior Project Manager, 452-4632  
*Transportation Department*

**EXECUTIVE SUMMARY**

This motion will award Bid No. 20038 to Potelco, Inc. for the 124<sup>th</sup> Avenue NE Improvement project, SCL Transmission Tower Replacements. This project will replace the existing two SCL lattice towers with two monopoles on the west side of 124<sup>th</sup> Avenue NE between NE 12<sup>th</sup> Street to Ichigo Way.

**RECOMMENDATION**

Move to award Bid No. 20038, 124<sup>th</sup> Avenue NE Improvement project, Seattle City Light (SCL) Transmission Tower Replacements (CIP Plan No. PW-R-191) to Potelco, Inc.

**BACKGROUND/ANALYSIS**

The 124<sup>th</sup> Avenue NE Improvement project, SCL Transmission Tower Replacements is a part of the 124<sup>th</sup> Avenue NE; Ichigo to Northup Way (CIP Plan No. PW-R-191) project. These projects are part of the broad BelRed Plan and Transportation vision of supporting planned growth and economic vitality, improving access and circulation, and capturing synergistic opportunities with Sound Transit's East Link Project.

The 124<sup>th</sup> Avenue NE corridor improvements will be implemented in three phases: NE 12<sup>th</sup> Street to NE Spring Boulevard; NE Spring Boulevard to Ichigo Way; and, Ichigo Way to Northup Way. The first phase between NE Spring Boulevard and Ichigo Way is currently under construction and anticipated to be completed in the fall of 2020.

The 124<sup>th</sup> Avenue NE Improvements, SCL Transmission Tower Replacement project will replace two existing SCL lattice towers with two monopole towers between NE 12<sup>th</sup> Street and Ichigo Way. Replacement of the lattice towers is needed to provide space for construction of future phases of 124<sup>th</sup> Avenue NE roadway improvement projects planned for late 2020 and 2021.

Following verification of bid submittals, only one bid was received:

Potelco, Inc.	\$1,636,762
<b>Engineer's Estimate</b>	<b>\$1,348,275</b>

This project was re-advertised a second time. The first bid process resulted in a bid rejection as the bidder did not meet the qualifications required to do the work. Staff believes that awarding this contract now will allow the project to meet the SCL power outage schedule which is driven by regional power demand expectations. Not meeting that schedule will generate additional cost to the City. The high bid for this project was due to a highly specialized kind of work, which has a limited number of qualified bidders available in the area.

To the best of our knowledge and professional judgment, all factors that typically contribute to construction expenses have been accounted for in the Plans, Specifications and Estimates. Based on our experience, projects of this type may result in some field changes. All claims are rigorously reviewed and only those that are clearly necessary to accomplish the intent of the contract, but have not previously been provided for, will be paid.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Comprehensive Plan

*Overall:* S-BR-4: Developing and implementing a phased approach so that transportation, open space, and other infrastructure is in place or committed to serve the needs of growth.

*Implementation:* S-BR-78: Implementing the BelRed Plan through capital investments and other public and private strategies.

### **Fiscal Impact**

This is one of the two items on Council's consent calendar tonight for the 124<sup>th</sup> Avenue NE Project to replace SCL transmission towers along 124<sup>th</sup> Avenue NE (CIP Plan No. PW-R-191). The other item is a Resolution to amend the professional engineering services agreement with HDR Engineering, Inc. to provide support services during construction of this project.

Awarding this bid will obligate the City up to \$1,636,762, plus all applicable taxes, to replace the existing two SCL lattice towers with two monopoles along the west side of 124<sup>th</sup> Avenue between NE 12<sup>th</sup> Street and Ichigo Way as a part of the 124<sup>th</sup> Avenue Improvement project, SCL Transmission Tower Replacements (CIP Plan No. PW-R-191). This amount is approximately 21 percent over the Engineer's Estimate. Sufficient funds exist in the project to fully fund this contract.

The following table provides the project financial status for the SCL transmission tower replacement project which is funded by PW-R-191:

(\$000)

	Current Budget	Life-to-Date Expenditures	Total Projected Expenditures	Projected Balance	<i>This Action</i>	Actual / Projected Completion Date
Phase I (Design)	\$273	\$187	\$273	\$0	<b>\$0</b>	Q1-2020
Phase II (Right-of-Way)	0	0	0	0	<b>0</b>	N/A
Phase III (Construction)	2,379	1	2,379	0	<b>1,637</b>	Q4-2020
Total	\$2,652	\$188	\$2,652	\$0	<b>\$1,637</b>	

## OPTIONS

1. Award Bid No. 20038, 124<sup>th</sup> Avenue NE Improvement project, SCL Transmission Tower Replacements (CIP Plan No. PW-R-191) to Potelco, Inc. as the lowest responsible and responsive bidder, in the amount of \$1,636,762, plus all applicable taxes.
2. Reject all bids and provide alternative direction to staff.

## ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Vicinity Map
- B. CIP Project Description (PW-R-191)

## AVAILABLE IN COUNCIL LIBRARY

Contract plans and specifications