

**CITY COUNCIL AGENDA TOPIC**

Resolution authorizing execution of a four-year Professional Services Contract with HDR Engineering, Inc, to provide on-call construction management, inspection, and support for multiple locally and Levy funded projects scheduled for completion over the next four years, in an amount not to exceed \$2,000,000, plus all applicable taxes, with an option to extend the contracts for an additional year for \$500,000, plus all applicable taxes, with the same terms and conditions.

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*Transportation Department*

**EXECUTIVE SUMMARY****ACTION**

This contract will provide Construction Management services required for City and Levy-funded Capital Investment Program (CIP) projects. Specifically, this contract will provide general engineering services, with a focus on Resident Engineers and Construction Inspectors, for City or Levy-funded projects on an as-needed basis to supplement City Construction Management staff.

**RECOMMENDATION**

Move to adopt Resolution No. 10403

**BACKGROUND/ANALYSIS**

This contract is one of two on-call contracts that will provide on-call professional construction management services for the Transportation CIP with a focus on Construction Inspectors and Resident Engineers, supplementing City forces as needed. Currently, the Capitol Projects Division of the Transportation Department has nine full-time equivalent (FTE) senior construction project inspectors who are available to inspect CIP projects, the Street Overlay Program, and various other CIP projects. Over 40 projects are identified for construction in the next four years, including 19 locally and Levy-funded funded projects, which is expected to significantly exceed available staffing resources from time to time. This on-call contract will allow a rapid response to meet the needs at those times.

This on-call contract will provide professional construction management services including, but not limited to:

- General construction coordination with contractors, City staff, designers, appropriate agencies, property owners, general public and various utilities.
- Monthly progress reports preparation
- Processing of monthly contractor payments
- Payment documentation
- Contract administration
- Inspection quality assurance

- Inspection documentation
- Review and analysis of contractor's schedules
- Evaluation of change order entitlement
- Change order identification (change order/issue log with cost projections), documentation, independent cost estimating, and negotiation support
- Claim evaluation and/or preparation, including impact analysis and negotiation support
- Construction close-out activities
- Evaluation of project documentation for auditing purposes

Consistent with City contracting policies, consultant selection was completed using a Request for Qualification (RFQ) selection process. A notice of the request for qualifications (RFQ No. 24019) was published in *The Seattle Times* and *The Seattle Daily Journal of Commerce* on May 7 and May 14, with submittals due on May 24, 2024. Seventeen firms submitted proposals. After reviewing all proposals, the City selected the following two firms to provide professional services with a focus on Resident Engineers and Construction Inspectors: construction management, construction inspection, quality assurance and general construction administrative oversight services:

- HDR Engineering, Inc.
- HNTB Corporation

Submittals were evaluated by a Selection Committee of four which included the Construction Manager, the Construction Operations Manager, a Senior Construction Inspector and a Senior Materials Technician, who considered the completeness of each Consultant's submittal and how well the qualifications met the needs of the City and the following evaluation criteria. Point values were given for each of the evaluation criteria and the committee met to determine a consensus score for each submittal.

- Expertise of the Firm(s): A statement of intent explaining why the firm is interested, highlighting qualifications of the prime and subconsultants (if applicable) to do the work, including three (3) recent examples of when similar services were performed on projects within the previous three (3) years.
- Project Manager: The qualifications of the project manager, including years of experience, work performed on recent, relevant projects, and education. Relevancy for this RFQ is defined as projects greater than \$1,000,000 and providing similar services as those outlined in this RFQ.
- Key Personnel: The roles, qualifications, and level of experience of key personnel proposed for the contract, including subconsultants (if applicable). Include an organizational chart listing the discipline for each.
- Project Management System: Description of the firm's approach to project management.

The evaluation criteria was established to address issues that were recognized in previous contracts such as:

- Ensure the consultant has a track record providing like-services to public agencies with the ability to provide the services requested when needed.

- Assurance that the consultant PM will provide continual review of the contract budgets and schedules, to confirm staff is billing to the correct task orders, invoices are timely and correct, insurance is maintained, and timely initiation of new task orders.
- Ensure that sufficient resources of field inspectors and resident engineers are available, rather than top heavy organizations charts.
- Demonstrated use of a project management system to ensure regular and timely invoices, staff billing to incorrect task orders, and failing to identify potential or expected overruns until invoices were submitted with overbudget costs. We wanted to see that the firm had a plan to alert the City of potential overruns and a plan to protect us.

HDR, Inc. was selected because they were one of only two firms that best met the evaluation criteria and provided responses answering our concerns identified in previous contacts. The committee felt that selecting these two firms would provide enough flexibility to address potential staffing needs while demonstrating full understanding of our concerns.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

The 2023-2028 Transportation Improvement Program (TIP), which was adopted and passed on June 6, 2022, identified and prioritized CIP and Transportation Facilities Plan (TFP) projects. This agreement will assist in the construction of locally-funded CIP projects and TFP projects where funding has been secured. This agreement will also support projects identified for analysis and implementation through the Neighborhood Safety, Connectivity and Congestion Management Levy.

### Bellevue City Code 4.28.030(B)(1):

The City has promulgated policies, standards, and operational procedures that support open, fair, and transparent procurement of goods and services in accordance with all applicable laws. Such policies, standards and procedures may define the levels of authority pertaining to review and approval of contract change orders and shall be followed by all City departments.

### **Fiscal Impact**

This action will obligate the City to a maximum of \$2,000,000, plus all applicable taxes, with HDR Engineering, Inc. to provide on-call construction management services for Transportation City and Levy funded Capital Investment Program (CIP) projects. The contract is for a four-year term with an option to extend the contract for one additional year for \$500,000, plus all applicable taxes, with the same terms and conditions. Sufficient funds exist in the 2023-2029 General CIP Fund through the individual Transportation CIP project budgets to fund these services. Funding for future years will be contingent upon approved capital funds.

## **OPTIONS**

1. Adopt the Resolution authorizing execution of a four-year Professional Services Contract with HDR Engineering, Inc, to provide on-call construction management, inspection, and support for multiple locally and Levy funded projects scheduled for completion over the next four years, in an amount

not to exceed \$2,000,000, plus all applicable taxes, with an option to extend the contracts for an additional year for \$500,000, plus all applicable taxes, with the same terms and conditions.

2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS**

Proposed Resolution No. 10403

## **AVAILABLE IN COUNCIL LIBRARY**

Professional Services Contract