

**CITY COUNCIL AGENDA TOPIC**

Resolution authorizing an increase in the construction contract with Lakeside Industries (Bid No. 24000) by \$499,400.00 for a total contract amount of \$7,086,471.50, plus all applicable taxes, for the 2024 Overlay Program (CIP Plan Nos. PW-M-1, W-16, PW-R-46, and PW-R-199).

Andrew Singelakis, Transportation Director, 452-6468

Maher Welaye, Assistant Director, Transportation, 452-4879

Kyle Potuzak, Design Manager, 452-2027

Isack Habte, Pavement Project Manager, 452-4612

Deontae Elder, Project Manager, 452-4632

*Transportation Department*

**EXECUTIVE SUMMARY****ACTION**

This Resolution increases the construction contract with Lakeside Industries by \$499,400.00 for a total contract amount of \$7,086,471.50, plus all applicable taxes, for the 2024 Overlay Program.

**RECOMMENDATION**

Move to adopt Resolution No. 10418

**BACKGROUND/ANALYSIS**

The City places a high priority on allocating adequate resources to maximize the benefits of investments previously made in the transportation system. Expenditures on maintenance and preservation defray, and can prevent, costly reconstruction projects in addition to contributing to the overall safety of the system.

Preservation of the City's streets is achieved through a rigorous pavement management program. The condition of each street is reviewed every two years to document information about how the street should best be maintained. Through this practice, the City prioritizes and invests in preservation work rather than waiting for pavement failure, which is significantly more expensive to repair.

The 2024 Overlay Program focused on resurfacing approximately 28.1 lane-miles of pavement throughout the City. This will include the following sites prioritized for preservation work by the Transportation Department:

- 116<sup>th</sup> Avenue SE/117<sup>th</sup> Avenue SE – SE 49<sup>th</sup> Street to SE 50<sup>th</sup> Place
- 123<sup>rd</sup> Avenue/122<sup>nd</sup> Avenue SE – SE 47<sup>th</sup> Street to SE 55<sup>th</sup> Place
- 119<sup>th</sup> Place SE – NE Newcastle Way to SE 64<sup>th</sup> Street
- NE 4<sup>th</sup> Street/NE 5<sup>th</sup> Street – 98<sup>th</sup> Avenue NE to 100<sup>th</sup> Avenue NE
- 118<sup>th</sup> Avenue NE – NE 8<sup>th</sup> Street to 9 Lake Bellevue Drive
- SE 7<sup>th</sup> Street/99<sup>th</sup> Avenue SE – SE 7<sup>th</sup> Street to SE 11<sup>th</sup> Street
- SE 10<sup>th</sup> Street – 102<sup>nd</sup> Place SE to 103<sup>rd</sup> Avenue SE
- SE Wolverine Way – Bellevue Way to 105<sup>th</sup> Avenue SE

- 176<sup>th</sup> Avenue NE/185<sup>th</sup> Avenue NE – 176<sup>th</sup> Avenue NE to NE 15<sup>th</sup> Place
- NE 22<sup>nd</sup> Place/NE 23<sup>rd</sup> Street – 100<sup>th</sup> Avenue NE to Bellevue Way
- 98<sup>th</sup> Avenue NE – NE 24<sup>th</sup> Street to NE 30<sup>th</sup> Street
- 100<sup>th</sup> Avenue NE/102<sup>nd</sup> Avenue NE – 98<sup>th</sup> Avenue NE to NE 31<sup>st</sup> Place
- NE 34<sup>th</sup> Street/102<sup>nd</sup> Avenue NE – 98<sup>th</sup> Avenue NE to NE 31<sup>st</sup> Place
- NE 28<sup>th</sup> Place – Bellevue Way to 103<sup>rd</sup> Avenue NE
- 118<sup>th</sup> Avenue SE/114<sup>th</sup> Avenue SE – North of I-90 to Main Street
- 134<sup>th</sup> Avenue NE – NE 8<sup>th</sup> Street to NE Bel-Red Road
- 140<sup>th</sup> Avenue NE – NE 24<sup>th</sup> Street to NE 40<sup>th</sup> Street
- NE 29<sup>th</sup> Place – NE 29<sup>th</sup> Place to 148<sup>th</sup> Avenue NE
- SE 35<sup>th</sup> Place – SE Eastgate Way to West Lake Sammamish Parkway
- NE 12<sup>th</sup> Street – 100<sup>th</sup> Avenue NE to End of Road
- 100<sup>th</sup> Avenue NE/NE 4<sup>th</sup> Street – 10194 NE 4<sup>th</sup> Street to NE 14<sup>th</sup> Street
- Pikes Peak – NE 36<sup>th</sup> Street to NE 39<sup>th</sup> Street
- 103<sup>rd</sup> Avenue/103<sup>rd</sup> Place NE – 103<sup>rd</sup> Place NE to end of the road
- NE 23<sup>rd</sup> Street – 98<sup>th</sup> Avenue NE to 100<sup>th</sup> Avenue NE
- 171<sup>st</sup> Place NE – NE 5<sup>th</sup> Street to 173<sup>rd</sup> Place NE
- NE 2<sup>nd</sup> Place/174<sup>th</sup> Place NE – 168<sup>th</sup> Avenue NE to NE 4<sup>th</sup> Street
- SE 40<sup>th</sup> Street – 138<sup>th</sup> Avenue SE to 146<sup>th</sup> Avenue SE

On March 18, 2024, Council awarded Bid No 24000 for the 2024 Overlay Program to Lakeside Industries as the lowest and responsive bidder, in the amount of \$6,587,071.50. Construction of the project began in April 2024 and substantial completion is anticipated to occur in the last quarter of 2024.

The 2024 Overlay Program (annual pavement overlay contract) has been very productive in 2024 with favorable weather early in the construction season this year. This contract is anticipated to be substantially complete on time and no work is expected to carry over to the 2025 construction season. However, throughout the course of the construction contract, more asphalt, planing, and traffic control flagging hours were needed to complete the contract work than were originally estimated during the design phase. These overages are captured in Change Order #1 and #2. Tonight's action adds value to the construction contract to ensure that there is sufficient funding available to complete the contract work including additional quantity overages. The cost exposure for additional overages is anticipated to be within the new contingency set as part of this action.

All executed and pending change orders have resulted in an estimated increase in cost of the construction contract of \$449,400.00 which is approximately 7.6% above the original contract amount authorized by Council.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Comprehensive Plan:

- *TR-26: Design, implement and maintain transportation system improvements and deliver transportation services and programs in accordance with the Americans with Disabilities Act (ADA).*
- *TR-55: Maintain and enhance safety for all users of the roadway network.*
- *TR-56: Ensure that maintenance of the existing transportation system be given priority consideration.*

Bellevue City Code

- BCC 4.28.115 Public works apprentice requirements

The 2024 Overlay Program is the City of Bellevue’s first public works contract with an estimated cost of \$2,000,000 or more and is subject to apprenticeship utilization goals passed by the City Council on May 22, 2023. This contract has been assigned a goal of 15 percent of labor hours to be performed by apprentices enrolled in a recognized apprenticeship training program

**Fiscal Impact**

This action will authorize an increase to the construction contract with Lakeside Industries (Bid No. 24000) by \$499,400.00 for a total contract amount of \$7,086,471.50, plus all applicable taxes, for the 2024 Overlay Program Project (CIP Plan Nos. PW-M-1, W-16, PW-R-46, and PW-R-199). The increase is approximately 7.6 percent over the original contract amount. Sufficient funding exists in the 2023-2029 CIP to complete this project. The construction contract will be funded with the following programs:

<b>CIP Plan No.</b>	<b>Description</b>	<b>Original Contract</b>	<b>Change Orders</b>	<b>Revised Contract</b>
PW-M-1	Bridge and Pavement Preservation (Overlay) Program	\$6,046,508.66	\$365,200.00	\$6,411,708.66
W-16	Small Diameter Water Main Replacement	468,996.90	134,200.00	603,196.90
PW-R-199	Neighborhood Safety and Connectivity (Levy)	41,784.34		41,784.34
PW-R-46	Traffic Safety Improvements	29,781.60		29,781.60
<b>Total Funding</b>		<b>\$6,587,071.50</b>	<b>\$499,400.00</b>	<b>\$7,086,471.50</b>

Below are the approved and pending change orders:

<b>Original Contract Amount:</b>	<b>\$6,587,071.50</b>
<b>Change Orders</b>	
Change Order #1 – Overruns for asphalt, flagging, and utility adjustments	\$ 134,200.00
Change Order #2 – Overruns for asphalt, planing, and flagging	\$ 347,200.00
Change Order #3 – HMA ramp and Bike Loops	\$ 18,000.00
<b>Total Change Orders</b>	<b>\$ 499,400.00</b>
<b>Total Revised Contract Amount</b>	<b>\$7,086,471.50</b>

## **OPTIONS**

1. Adopt the Resolution authorizing an increase in the construction contract with Lakeside Industries (Bid No. 24000) by \$499,400.00 for a total contract amount of \$7,086,471.50, plus all applicable taxes, for the 2024 Overlay Program (CIP Plan Nos. PW-M-1, W-16, PW-R-46, and PW-R-199).
2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS**

- A. Vicinity Map
  - B. CIP Project Description (PW-M-1)
  - C. CIP Project Description (PW-R-46)
  - D. CIP Project Description (PW-R-199)
  - E. CIP Project Description (W-16)
- Proposed Resolution No. 10418

## **AVAILABLE IN COUNCIL LIBRARY**

N/A